# Next Month

**HUEY THE GREAT**

*Mildred Adams*

Huey Long, Senator from Louisiana, national clown, has become a person worth watching. The process by which this local boss has become a national figure is one of the most interesting curiosities of American political life. No one knows how far it will carry him, but there is a clue to the extent of his ambition in his reply to the remark that, like Alexander, he had no more worlds to conquer: "Oh, but I'm smarter than Alexander!" Mildred Adams presents a shrewd and hilarious analysis of what makes Huey tick.

**THE ORDEAL OF WESTERN RELIGION — II**

*Paul Hutchinson*

The second of Mr. Hutchinson's series of three articles will deal with the conflict between the ideals of the Christian church and the ideals of the society in which it must exist and with which it has compromised. No more vital discussion of the problem has appeared in recent years.

**BACK TO THE FARM!**

*Russell Lord*

The slings and arrows of outrageous fortune have tempted all of us, at one time or another, to retire to a farm and there wrest from the soil a life of quiet independence. But before you try it, read about what awaits you. Russell Lord has some real information on the chances of making a go of it.

**AMERICAN SOCIAL HISTORY**

*Bernard De Voto*

"It's nice to know who invented rocking chairs," said Edward Channing, "but I'm writing history." In those days nobody denied it. But the inventors of rocking chairs are gradually being recognized by modern historians as quite as important as the leaders of armies. Bernard De Voto's discussion of the new trend among modern historians suggests that the history our children will learn will be very different from the sort taught in the little red school house.

**IS SUICIDE JUSTIFIABLE?**

*Marion Castle vs. Frank C. Cross*

An absorbing debate on the ethical aspects of a problem which confronts us in the headlines of every daily newspaper. Aside from religious taboos, were Eastman, Kruger, and the thousands of unknowns who have taken their lives in the past year justified in what they did?


# FORUM and Century

**HENRY GODDARD LEACH, *Editor***


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# NEIGHBOR

**once meant "a near-by farmer"**

In Anglo-Saxon **neah** meant "nigh," "near," and **gebur** meant "dweller," "farmer." These two words were combined into **neahgebur** meaning, literally, "a near-by farmer." The word appears in medieval English in the form **neighebour** and in modern English as **neighbor**. Its meaning, changing with the evolution of civilization, no longer applies particularly to neighboring farmers, but refers to persons living near each other in apartment house suites or suburban cottages as well as to those on near-by farms. Even nations in the modern world are called "neighbors"—an interesting development of a word that means literally "near-by farmers."

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# TOASTS

**PAUL HUTCHINSON** is Managing Editor of *The Christian Century*. Several chapters of his latest book, *Storm Over Asia*, published this fall, appeared in THE FORUM earlier in the year. Mr. Hutchinson is also the author of *The United States of Europe*.

**BERNARD FAŸ**, noted French scholar, who has taught at the University of Clermont-Ferrand and at Columbia, is at present lecturing at the University of Buffalo. He is the author of several books on French and American history, of which the best known is perhaps *Franklin, the Apostle of Modern Times*.

**LAWRENCE SULLIVAN** studied history and economics for three years at Northwestern University. Since 1919 he has been engaged continuously in newspaper work in Chicago, New York, and Washington. He is now White House reporter for *The Washington Post*.

**HENRY SEIDEL CANBY**, Editor of *The Saturday Review of Literature*, is also a lecturer with professorial rank at Yale University. He was formerly Assistant Editor of *The Yale Review* and Literary Editor of the *New York Evening Post*.

**SARA HENDERSON HAY** lives in Anniston, Alabama. For the past year, in addition to writing, she has been arranging a manuscript of her poems for publication in book form.

**ELMER DAVIS** was on the editorial staff of *The New York Times* from 1914 to 1924. Since then he has devoted his time largely to writing novels, short stories, and political articles.

**TOM JONES PARRY** is head of his own advertising agency in Seattle, Washington. He is a graduate of Washington State College, where he studied agriculture.

**HENRY A. SHINN**, Professor of Law at Mercer University, Macon, Georgia, is a graduate of both Kansas and Leland Stanford Universities and has studied at the Yale Law School. For a time he served as attorney in the Trust Department of the Bank of Italy in San Francisco.

**MILTON S. MAYER**, since his college career at the University of Chicago, has been an Associated Press correspondent and a member of the editorial staff of the late *Chicago Evening Post*. He is now a regular contributor to *The Chicagoan*.

**THE ANONYMOUS** author of "Must I Have Children?" is research secretary to a political writer.

**ERNEST ANGELL** was born and brought up in Cleveland, Ohio. He is a graduate of Harvard College and of the Harvard Law School and is a veteran of the World War. At present he is practicing law in New York.

**CYRUS FISHER** has written extensively for the radio ever since its commercial possibilities were first realized. His radio criticisms have become a regular feature in THE FORUM.

**THE SEAGLADE**

The St. Regis is gay this month. Smart New Yorkers take over the Roof and the Egyptian Room for brilliant private functions. They throng the Seaglade...their winter-evening carnival midst Urban's emerald-gold, and dance rhythms by Anson Weeks. Quite natural, then, that their out-of-town contemporaries should make the St. Regis their New York headquarters...grateful for the seclusion of its exquisite new suites and rooms ... its call-button and floor-secretary service ... and all those inimitable attentions of its established graciousness. *NEW RATES: Single rooms $5, $6 ... Double $8, $9. Suites from $12.*

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# BOOKS IN BRIEF

FAREWELL TO REFORM, by John Chamberlain (Liveright, $3.00). According to Mr. Chamberlain, the liberal hopes which rose so high in the decades following 1890, and which crashed irrevocably with the outbreak of the war, were doomed by the same weakness from the start. All the Progressives, from the Populists and the Single Taxers to La Follette, Roosevelt, and Wilson, refused to face realities and to follow out the implications of their vision. They hoped, always, to return to a vanished agrarian economy, to a world run in the interests of the small farmer and the small business man. They never completely realized that industrialization and mass methods demanded a radically new technique of social control. In this clear-headed, carefully documented account of "The Rise, Life, and Decay of the Progressive Mind in America," Mr. Chamberlain pays special heed to the theorists of the movement, and to the novelists who so completely reflected the groping temper of the times. The Lincoln Steffenses and the Frederic Howes are here too, however, the Altgelds and the Tom Johnsons — not to mention the fact that Mr. Chamberlain's estimates of Roosevelt and La Follette are particularly acute and just. The final chapter of prophecy may satisfy neither the conservatives nor the radicals, but both should be able to agree on the value of Mr. Chamberlain's analysis.

TITANS OF LITERATURE, by Burton Rascoe (Putnam, $3.75). A literary travelogue which should find an appreciative audience among admirers of Will Durant and Dr. Joseph Collins. Beginning with Homer and the Greek legend, Mr. Rascoe puts one pretty colored slide after another into his magic lantern, and we see flashed across the screen of each succeeding chapter many astonishing pictures, showing Sappho as the Edna St. Vincent Millay of her times, Shakespeare as a composite George M. Cohan and F. Scott Fitzgerald, Cervantes behaving like Fanny Brice at a performance of *The Green Hat*, and other whimseys. Sophocles, Virgil, Lucian, Chaucer, Dante, Boccaccio, Balzac, Flaubert, Poe, Whitman, Proust, and many others are also considered. And you will be surprised how much they behaved like the famous people you read about in the newspapers.

OUR TIMES: 1914, by Mark Sullivan (Scribner, $3.75). The fourth volume in Mark Sullivan's famous series deals with America as it was before the outbreak of the war, with an America still innocent and quite unwarned. There are some admirably amusing chapters on the folkways of the period — on the Ford jokes, the Ragtime Revolution, the preposterous new dances of the "Grizzly Bear" brand — but the kernel of the book is Mr. Sullivan's account of the mysterious, slow-growing cleavage between Taft and Roosevelt and of all the complex events leading up to the flamboyant Republican convention of 1912 which Mr. Sullivan so shrewdly uses as his climax. No one interested in America and its foibles can afford to miss these books of his.

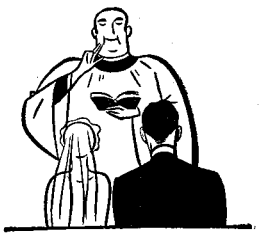
HUMAN BEING, by Christopher Morley (Doubleday, Doran, $2.50). Mr. Morley undertakes to record the life and times of the Man in the Street. His Richard Roe never quite comes to life, but the novel contains a good many lifelike and humorous touches. It is worth reading if only for the miracle which the author has wrought in treating Dreiserean material in unmistakable Morley fashion.

AS WE ARE, by E. F. Benson (Longmans, Green, $3.00). The successor to the widely popular *As We Were*. Mr. Benson doesn't think very highly of modern morals and manners, but his account of them — partly under the guise of fiction — is extremely readable. The best sections deal with the decline of a once great Victorian house.

ELLEN TERRY'S MEMOIRS (Putnam, $3.75). A new and welcome edition of an extraordinarily interesting and well written autobiography, with additional chapters by Edith Craig and Christopher St. John. These reminiscences, and the Shaw letters, establish Ellen Terry's literary ability as equal to her recognized powers as an actress.

SKETCHES IN CRITICISM, by Van Wyck Brooks (Dutton, $3.50). These lively, compact essays reveal the tremendous scope of Mr. Brooks' critical ability in the field of American letters. His comments on such subjects as "Mr. Mencken and the Prophets," "The Parvenu Intellectuals," "Art-Bolshevism," "The American Short Story," "The Twilight of New England," and "The Writer and the Workers" should do much to destroy the complacency with which too many of us regard American writers and their work.

GOD'S ANGRY MAN, by Leonard Ehrlich (Simon & Shuster, $2.50). Out of an American legend Leonard Ehrlich has fashioned a first novel that is the pure essence of terror and beauty. In a sweeping, powerful, poetic prose he tells the story of that magnificent old fanatic, John Brown, who sacrificed everything he had for the sake of a dominating idea. So fresh, so moving is his recreation of history that one follows the narrative to its inexorable climax with as much suspense and excitement as if one had never heard of Harper's Ferry.

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*These columns are open to brief letters commenting upon any article or subject that has appeared in The Forum. Because of space limitations, the Editor must reserve the right to publish letters only in part.*

**Gibbons *v.* Pollard**

To the Editor:

I have read with considerable interest Mr. Gibbons' letter, in connection with the proposed repeal amendment, and Mr. Pollard's reply, both appearing in your December Rostrum.

Mr. Pollard, in replying to Mr. Gibbons' first query, asks: "What can Congress do if state legislatures are reluctant to call a convention to ratify or reject the new amendment pursuant to Congress' resolution?" In presenting his own answer, he voices the thought that Congress could "coerce" the state legislatures into action if they chose to remain quiescent, and that any resulting legal controversy would be held to be non-justiciable by the Supreme Court. With this conclusion I cannot agree. In order to sustain it, Mr. Pollard seeks support from cases that arose under the fourth section of the fourth article of the Constitution, which contains a guarantee to every state of a republican form of government and protection against invasion and domestic violence. It is invoked infrequently, however, and only under extraordinary conditions.

Mr. Pollard says in effect that if a legislature will not call a convention, the federal authority may declare that the state's republican form of government is threatened and then, with force and arms, command the legislature to call the convention. This is "a conception which after all rests upon the assumption that the States are to be guaranteed a government republican in form by destroying the very existence of a government republican in form in the Nation." (See Pacific States Telephone and Telegraph Company *v.* Oregon.)

In my opinion coercive measures directed by Congress against a legislature that failed to erect the convention machinery would be abortive from a practical point of view, even if legally sustainable. A legislature that will not convene cannot be forced to convene. The exodus of Rhode Island's legislators during Governor Flynn's régime is a recent example in point. A reluctant legislature may be transformed into one eager to facilitate consideration of a repeal amendment only by the voters, and only then may there be obtained the free "expression of the approbation of the people" contemplated in the fifth article.

Mr. Pollard does not comment upon Mr. Gibbons' second question, which asks whether Congress could go into the states and set up the convention machinery independently of the legislatures. A careful review of Article V indicates that there is no provision for conventions called by the legislatures except for proposing amendments. The ratification clause calls for action "by the legislatures of three-fourths of the several states, or *by conventions in three-fourths thereof.*" As the Supreme Court so aptly states in the case of Hawke *v.* Smith, cited by Mr. Pollard, "The language of the article is plain, and admits of no doubt in its interpretation." The conclusion logically follows that the Congress is free to set up its own convention system if it wishes to act without the aid of the state legislatures.

EDMUND J. MOORE

*New York, N. Y.*

[EDITOR'S NOTE: — *Mr. Pollard's reply to Mr. Gibbons' second question, which was omitted in December for lack of space, is printed below.*]

**The Power of Congress**

To the Editor:

Even if Congress has no power to compel reluctant state legislatures to call conventions, it certainly must have the power to go into the states to set up the machinery for holding ratifying conventions. Of course it can let the matter drop, if it so chooses, but if it wants action on the thing, it cannot be blocked by mere state inertia. Consider what happened in the more extreme case of the Reconstruction Amendments. Congress was determined that the Southern States should ratify them, and after the states first rejected them, Congress passed the Reconstruction Acts of 1867, setting up entirely new state governments of their own choosing, and again submitted the amendments. This was in reprisal of hostile state action. A modern Congress, bent on settling the constitutional problem of liquor control, could surely, in the event of mere inaction, set up its own conventions to pass upon the amendment — and do so with the approval rather than the wrath of the people of the states.

But as a practical matter I do not think we need be alarmed. There is scant possibility that the state legislatures will refuse to call conventions when Congress desires it. Congress in desiring it will reflect public opinion this time, and even state legislatures see which way the wind is blowing.

JOSEPH P. POLLARD

*Colorado Springs, Col.*

**Seeing Red**

To the Editor:

If you are trying to evoke interest in your "Magazine of Controversy," you have chosen a pitifully cheap method in publishing such trash as "Rhapsodies in Red" in the December issue. If you consider Mr. Soskin's *flummery as a serious* contribution to constructive thought, there is no need to look further for anything worth-while in your paper.

It appears that Mr. Soskin has had a falling-out with his lady friend, or friends, because of his reactionary tendencies (not ideology) and he is feeling pretty badly about it. I do not blame him for trying to explain, but before showing his mental inertia, he should glance through Max Eastman's abridgement of Karl Marx in the Modern Library series. Even by hitting the high spots as book reviewers do, he might bump into some of the fundamental reasons why it is not necessary to "dive out of the window to reach that salvation." He might also reconsider classifying Dreiser, Anderson, Wilson, Calverton, Gold, and Dos Passos as all "products of unhappy, orthodox, constricted childhoods, or of extremely vulgar lower middle class homes whence they sought escape to the most convenient and plausible form of radicalism." In any event, I believe you will agree on second thought that they are hardly "art boys" or "escapist writers."

Mr. Soskin may think it "futile and stupid to seek the rational whys and wherefores," but you should know better, and I am very much disappointed to find such nonsense in THE FORUM.

J. LEE TRACY

*New York, N. Y.*

**An Oversight, Perhaps**

To the Editor:

In reading and studying Henry Hazlitt's article, "Our Greatest Authors — How Great Are They?" (October FORUM), a discussion came up in my English class. We like your selection but would appreciate the reason that Edgar A. Guest and Zane Grey were not mentioned.

LILLIAN ALLEN

*King Hill, Ida.*

**Tiny Minds**

To the Editor:

The infantile political thinking prevalent in this country was never better exemplified than in the reasons given for voting for their favored candidates by the fifty-one representatives of the so-called brains of the country, in your November issue.

M. H. HEDGES

*Washington, D. C.*

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# Our Rostrum

### Our Next Cabinet

*Following are some of the letters suggesting candidates for positions in President-elect Roosevelt's Cabinet which limitations of space did not permit us to include in the symposium on page 9 of this issue. Readers may possibly find it of interest later on to compare these recommendations with Mr. Roosevelt's final selection.*

### Norman H. Davis

My Choice for Secretary of State in the next Democratic Cabinet would be Norman H. Davis, because he has proven his ability in administrative affairs under most trying conditions; because he has wide experience, national and international; and because his judgment in economic matters, tariffs, war debts, and disarmament is sound. I would choose Davis, although in character and ability I consider Owen D. Young the most outstanding man in the Democratic Party. But Young must be free from politics. American industry needs him as leader to help solve the overwhelming problems that machines and technology have brought into the foreground.

J. W. H. Hamilton
*Council on Foreign Relations*
*New York, N. Y.*

### Melvin A. Traylor

The appalling fatality of our banks during the last decade, and the consequent necessity of a wise revamping of our banking laws, would seem to indicate that the next Secretary of the Treasury should be a commercial banker familiar with the problems of both big banks and little banks. While he should have knowledge and experience in international financial problems, political expediency would likely require that he should come from somewhere outside the New York banking zone. He should understand rural problems. He should have ability to conciliate, as well as to lead. I can think of no banker of my acquaintance who so well combines these qualifications as Melvin A. Traylor.

W. K. Payne
*Chairman of the Board,*
*Auburn-Cayuga National Bank*
*and Trust Company*
*Auburn, New York*

### Melvin A. Traylor

Of all the names mentioned so far, I believe Melvin A. Traylor, President of the First National Bank of Chicago, the best qualified in every respect to fill the position of Secretary of the Treasury. He is a man of sound judgment and has had many years experience in general banking. He also understands thoroughly the foreign financial situation. He has the confidence and respect of the financial institutions of the country and also of the citizens at large, and I am sure they would feel that the financial affairs of the country would be in safe and conservative hands should Mr. Traylor be named and he would accept the office. He has been a Democrat all his life and has the confidence and respect of his party, which he has always consistently supported.

F. A. Irish
*Vice President,*
*First National Bank*
*and Trust Company*
*Fargo, N. D.*

### Traylor or Young

In as much as I am now and always have been an active Republican, I do not suppose my opinion under the present circumstances would amount to very much. However, I sincerely trust that President Roosevelt will appoint either Melvin Traylor of Chicago, or Owen D. Young of New York to the position of Secretary of the Treasury. Personally, I would prefer Mr. Traylor, because I think he has had a more intimate touch with the public, but they are both eminently qualified and either would fill the place admirably and I think to the satisfaction of the public generally.

Ben S. Paulen
*Chairman, First National Bank*
*Independence, Kan.*

### Henry A. Wallace

I am glad to express an opinion relative to the appointment of the new Secretary of Agriculture. I have given the matter a lot of thought and have tried to see conditions as they actually exist in rural America, and while no doubt there are other men equally as well qualified for the trying task, in my own mind the man I am to name seems to fill the bill, regardless of party. Agriculture is crying for leadership. It is crying for a leadership in governmental affairs that is based upon sound business economics, and not theories, experiments, or political expediency. That leadership should come from Agriculture and must lead for Agriculture. That leadership could be taken out of the country, but must be one that the country has not been taken out of. That leadership must understand supply and demand, here and abroad, must possess insight and foresight regarding co-operative production and marketing; but at the same time must not stand for class legislation. That leadership must radiate confidence, not by enacting legislation but by preventing legislation that would thwart Agriculture's effort to help herself. In my opinion Henry A. Wallace of Des Moines, Iowa, possesses that leadership.

Dru L. Pippin
*Master Farmer*
*Waynesville, Mo.*


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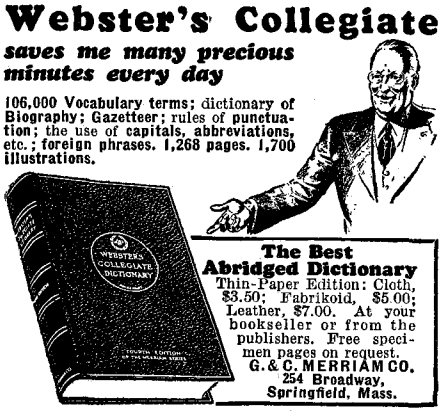


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F O R U M

JANUARY, 1933 VOL. 89, NO. 1

# Reciprocity

## *A Foreword by the Editor*

THE PRESENT Democratic Platform declares for "reciprocal tariff agreements with other nations." Men of all parties should wish Democratic leadership wisdom and quick decision in trying by this means to check the increasing confusion of tariffs. Month by month the nations of the world are building higher barriers to shelter themselves from the economic blizzard. Judgment is evenly divided as to whether these new mounting tariff walls are causes or results of the depression, but the majority of intelligent opinion agrees that they are hateful and obnoxious weapons of an economic warfare as destructive to prosperity as the World War was to life. In this general tariff war the United States has been the leader and the aggressor. Recently our government has assumed a commendable leadership in urging the nations to reduce their fantastic expenditures for competitive armaments. If there is to be a mitigation of economic as well as military armaments, a world-wide lowering of tariff walls, it is likewise the United States that must take the initiative.

Reciprocity — bartering by trade agreements with separate nations — is one of the most direct methods offered for relaxing the strangle hold of competitive tariffs on commerce. Unfortunately, many Republicans look on reciprocity with alarm as something not only un-Republican but actually un-American. It is true that in recent years Congress has given reciprocity a cold shoulder in legislating "uniform treatment" to other countries and making the grand and simple gesture of America *vs.* the World. But "uniform treatment" is a relatively new doctrine, and those Republicans who regard reciprocity as something inherently alien have short memories. No longer ago than 1896 the Republican Platform asserted that "Protection and reciprocity are twin measures of Republican policy and go hand in hand. . . . Protection builds up domestic industry and trade and secures our own market for ourselves; reciprocity builds up foreign trade and finds an outlet for our surplus."

Under the 1890 Tariff Act a Republican administration effected reciprocal arrangements with ten separate nations. These were terminated by the Democratic tariff of 1894. Under the 1897 tariff we negotiated, though we failed to ratify, six reciprocal treaties. In 1904 and from 1906 to 1922 we enjoyed special treatment for U. S. imports into Brazil. To-day, as for thirty years, we practice reciprocity with one nation, Cuba.

Reciprocity does not violate earlier American tradition. Before 1890 we had negotiated seven reciprocal agreements. Most important was reciprocity with Canada, which became effective in 1855 and remained successfully in force for eleven years. We lost more than did Canada from the discontinuance of those easy trade relations and the subsequent growth of Canadian nationalism.

Reciprocity has been abandoned, in each instance, not on economic grounds but through the force of political prejudice, without any rational appraisal of the effect on business. Let us give reciprocity another test; it probably is not the ideal method of regulating tariffs, but it does offer a beginning toward better adjustment.



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# The Ordeal of Western Religion

*by* **PAUL HUTCHINSON**

I

WESTERN religion is caught on the horns of a dilemma. It finds itself drifting rapidly toward a condition in which its social acceptance is won at the cost of its ethical independence; in which its institutions are conceded support as a social convenience by a society which is becoming permeated with skepticism concerning the validity of its moral and psychological — or, if an older vocabulary is expected, its spiritual — claims. But the price of salvation from this most tragic of fates is a rebellion against present alliances and accommodations which would jeopardize these institutions, alienate public approval, and subject the rebels to the penalties which society visits with such severity upon any who threaten its stability.

It is Western religion, rather than Christianity, which finds itself torn between the choices which this dilemma imposes. Despite that looseness of speech which habitually confuses the two, it must be remembered that Christianity is not only a religion of the Western, and still less exclusively of the Caucasian, world. Christianity has been longer at home in Ethiopia, in the Nile valley, in the Asiatic highlands of Armenia, or on the Malabar coast of India, than in England or Scandinavia. But the Christian churches of those regions do not yet confront the ordeal which lies before the churches of the West. It is Western religion, not the totality of Christian churches, which is conspicuously tormented to-day by the effort to live at peace within its environment.

This ordeal which Western religion must pass through is, at bottom, due to the claim of Western churches to find their origin, the norm of their teaching, and their standards of conduct and activity in the career and words of Jesus of Nazareth. Dr. Maude Royden, the famous preacher of the Guildhall in London, once exclaimed with remarkable insight that, of all the miracles ascribed to Christian history, none compares with the miracle that Europe should have chosen Jesus for its god. Certainly there was contained in that choice the seed of inevitable conflict. For either the European, with his will to power and possession, had to conventionalize the object of his religious devotion into a figure in conformity with his own character (or at least not in clear opposition to that character), or he had to make over his own mind and patterns of conduct. For many centuries he has been doing the former; within the last generation, however, the rise of new schools of historical criticism and the attack from many quarters on the supposed bases of social standards and institutions, have rendered this increasingly difficult. Important groups, both inside and outside the churches, now see that the Jesus to whom the churches appeal for their justification, as an historical character threw such influence as he had altogether against the sort of society which is now trying to declare him its divine teacher and lord.

This is not the place in which so much as to attempt a summary of that "Quest for the Historic Jesus" which Schweitzer made the subject of his history-making volume, and in which scholarship, both churchly and secular, is now engaged with such feverish intensity. It



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must suffice to say that, whatever this Jesus was or was not, it is clear that he was a man of his historical environment. He came on the stage of affairs as a native of a most simply organized, semi-agricultural nation, located in a semi-tropical region. He spoke to the other natives of this primitive social group as one of themselves; not only did he make no attempt to provide a body of teaching applicable to the problems of the more complex communities of his day, but there is no record that he had any comprehension of those problems. In the cleavage within his own small state between the interests of the simple countryman of Galilee and the more sophisticated city dweller of Jerusalem, his sympathies were altogether on the side of the former. Even the comparatively small cities that he knew were to him monstrous iniquities obviously marked for destruction. He was appalled at the effect which money-getting and money-keeping have on character. Incomplete as are the records of his life, there is no mistaking the difference between the pose which he showed while in the surroundings of an elementary rural society and the misgivings — and even terrors — which overwhelmed his spirit when he came into contact with the crowding, strident, fighting life of the city which he had thought to find holy, but which he found accursed.

It is the great irony of history that the West — which has built itself on struggle and which even to-day is a welter of armed camps and warring classes — should worship such a figure. And it is time that the peoples of the West were made aware that the reason why this worship grows increasingly unsatisfying, and so increasingly finds it difficult to secure support, is because this figure who is declared to be its source and focus is increasingly discovered to be out of all sympathy with their institutions and their modes of conduct. Put plainly, any religion vitally deriving from Jesus of Nazareth must find itself at innumerable points critical of and in conflict with the Western state, the Western social order, and even the Western church. Because it is impossible to evade much longer the conflicts named, there arises to-day that ordeal of Western religion with which it is my purpose to deal. In this first article, let us consider the ordeal through which the churches of the West must pass in their relations with the Western state.

## II

Even on its face there appears something incongruous in the proposal that the author of the Sermon on the Mount be exalted as a patron divinity of the Western state. The conflict between the point of view divulged everywhere in that document, in both its versions, and the philosophy underlying the Western state is fundamental. Perhaps, in the light of its background, this was inevitable. The Sermon on the Mount is an epitome of the thought of one who lived and taught among a subject people. But the nations of the West are to-day the lords of the earth. They sing anthems which, while perhaps not all as candid in expression as the Briton's fierce determination that Britannia's rule shall spread until

> All thine shall be the subject main
> And every shore it circles thine,

are yet, each in its own words, indicative of an unwavering purpose to possess and rule. These Western nations — even excluding Soviet Russia from the appraisal since it no longer acknowledges the validity of religion — maintain political domination, economic control, and social discrimination (in the form, frequently, of a color bar) over three-quarters of the habitable globe. Behind these states, whose flags flutter in every breeze and whose ships ride in every port, there is a record of blood-bought conquest. To-day their statecraft consists in maintaining these conquests intact.

It is obvious that Jesus never dreamed that his teaching might form the basis of a cultus for a conquering state. It chanced that he lived at the very time when the first of the great world imperiums was coming to the summit of its power, and in one of the lesser states that had been conquered to form that empire. He could not, therefore, entirely escape the problem of the ethical validity of such an imperium. But when, the tradition says, he was compelled to face that problem publicly, he incontinently dodged it. His dodging seems, for the moment, to have silenced his questioners, perhaps an instance of the tribute which the Jew is always ready to pay to intellectual dexterity. But it left a residue of difficulty, in the effort to draw a line between Caesar's things and God's, that has produced, in the centuries that have intervened, an enormous amount of confusion and actual human suffering. All things considered,



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both religion and human happiness would probably have benefited had the Nazarene teacher never uttered his equivocal declaration.

But if Jesus found it possible, under a form of words, to slip around the pretensions of the Roman imperium to absolute power, the band which became "Followers of the Way" after his death found no such possibility. The instant they achieved sufficient size to acquire social significance they were faced by the demand of the state for a reckoning with its authority. The lurid imagery of the Apocalypse is testimony to the savage nature of the struggle which ensued. To the Christians of that period, imperial Rome was both great beast and great whore, and the persecuting emperors were not mere tyrants — they were Antichrist! Despite an initial effort by that Roman citizen, St. Paul, to align the Roman magisterial power as a protector of the new faith, the essential conflict between the two became so quickly critical that even Paul is traditionally supposed to have been beheaded. Gibbon may not have been justified in his conclusion that it was this conflict which finally sapped the strength of the Roman state, but certainly the conflict played a huge part in determining the fate of the empire.

The contest between the Roman state and the Christian church never was fought to a conclusion. Instead, both sides reached such a point of weariness that a compromise became acceptable, and this came with the Edicts of Constantine. With Constantine's employment of the church as an agent of political solidarity — to become later, in Western Europe, *the* agent of political solidarity — the distinctive history of Western religion, as apart from the totality of Christianity, begins. The Protestant Reformation, far from weakening this identification of the state with religious interests, strengthened it; the outcome of the cries of the reformers for freedom being the Peace of Augsburg, which determined that the faith of the prince should be the faith of the subject — a principle which Henry VIII later applied to his great advantage. So came state churches — religion "as by law established" — an open acknowledgment of political control that, in Protestant as well as Greek and Roman Catholic countries, remains to this day the most widely accepted form of religious institutionalism. Even in the United States this formal relation between state and church was scarcely questioned (our legends to the contrary notwithstanding) until after the French Revolution had shown the danger in which a church — both as institution and as moral influence — stands when it is identified with a political order in danger of overthrow. In the century that has passed, this lesson has been re-enforced by other revolutions, as in Italy, Mexico, Russia, and Prussia. Disestablishment and disendowment are therefore gaining ground, and seem likely to become general, even in the Latin world, before many years.

But this release of Western religion from political partnerships is more apparent than real. The area is increasing in which the practice of religion is no longer financed by the imposition of taxes, but it is still true that the churches of the West everywhere operate under the ægis of the state. There are, for example, almost no countries, even among those which boast complete secularism of government, in which religious institutions are not placed in a specially privileged category in regard to ownership, taxation, and administration of property — the basic concern of the Western state. It is no wonder, therefore, that Western churches typically display national flags within their chancels, offer their crypts as the appropriate burial place of national rulers and warriors, and that the recent suggestion of a portion of the clergy of the Church of England — headed by the Archbishop of York — that a day of prayer for the state should include prayers of confession and contrition for the state's ethical shortcomings, should have been met with a storm of disapproval. That the church, having accepted so many favors from the hand of the state, should then presume to pass adverse moral judgment naturally seems to many a breach of the canons of good taste and decent manners.

This implication of organized religion with the Western state — so complete that even so mild a criticism as was implied in the archbishop's prayers produced a sensation — is today sufficient to destroy utterly any effort to establish its universal ethical authority. I am not now debating the validity of this effort, but Western religion posits as its basic reason for being and right to survive its possession of Truth — its ability to instruct all mankind in the distinction between good and evil, to rid



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the world of error, and to place all human relations on a basis of unimpeachable right dealing. Yet Western religion, living complacently within the Western state, can no longer hope to maintain this premise elsewhere than in the West, nor even in such parts of the West as subject it to cold analysis. The morality of the Western state is under too searching attack in Asia, in Africa, in Polynesia, to make it possible for the churches of such states to have their moral pretensions taken seriously there. And this obvious failure to convince other peoples of the validity of these basic pretensions is now having the effect of increasing skepticism among Western peoples as well.

Put in these abstract terms this description of the dilemma in which Western religion finds itself by reason of its relations with the Western state may be too generalized to carry conviction. But consider the case in terms of certain specific situations.

## III

Since the time of St. Francis Xavier, foreign missions have provided the characteristic method of expression for the vigor of the Western churches. In many communions ecclesiastical leaders formed the habit, during a long period, of estimating the vitality of their congregations by the size of the offerings to missions or the number of young devotees recruited to swell the missionary ranks. But that a great change has come over this whole business, so that it proceeds with increasing difficulty abroad and is supported with decreasing enthusiasm at home, is acknowledged by missionary administrators. What is the cause?

Until very recent times, the missionary of Western religion, as he penetrated what were then confidently called "the dark places of the earth" — in contrast with, let us say, the sunshine of London's East End or Chicago's "Back of the Yards" district — was accepted, in his religious capacity, without question. He might be opposed, driven away, or even martyred, as an agent of innovation, but his moral pretensions were not often or seriously questioned — *with two vastly significant exceptions.* From the beginning, the missionary of Western religion to Islamic or Jewish communities had practically no success at all, because in both cases those communities had had sufficient experience with Western states, proclaiming themselves Christian, to have lost respect for their moral standards. Elsewhere, however, the early Western missionary was seen apart from his native community, and his claim to divine ordination could be tested only by the quality of his personal life — a test which usually yielded impressive results.

To-day all this is changed. The missionary no longer stands by himself; he blends into the background formed by Western statecraft. He is seen, in Asia and Africa, as an integral part of the imperialistic advance of the Western state. Sometimes he has been the unwitting dupe of that statecraft, as in the case of those missionaries whose deaths have been made the pretext for territorial demands. The origin of the "Shantung issue" which nearly wrecked the Paris peace conference is a case in point. Sometimes he has been the conscious agent of Western aggression, as in the feverish attempts of Dr. Peter Parker, honored as the pioneer medical missionary in China, to induce the United States to annex the island of Formosa — all, of course, as a prelude to the Christianization of the Formosans.

Until the resentment and resistance of the tinted peoples brought all Western imperialism under attack, this interrelation of the Western church with the Western state was not only not seriously questioned; it was celebrated as evidence of the working out of the purposes of Divine Providence. No more characteristic religious story comes out of Western religious life at the turn of the century than the speech which President McKinley made to the delegation of Methodist bishops who called at the White House to congratulate him on his decision to annex the Philippines. There had been, it will be recalled, some questions raised as to the ethical justification of that act — sufficiently pointed questions to induce the American government to pay Spain twenty million dollars for a quit claim — but Mr. McKinley assured the bishops that his decision to annex came through direct leading from God, after continued nights of prayer, and was inspired by a desire to Christianize the Filipinos as "our brothers for whom Christ died."

The dilemma in which Western missionary work now stands can be seen with disconcerting clarity by looking at that episode. Could it be reproduced to-day? Can it even be read about to-day without laughter or derision, or at least



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serious questioning? Yet it must be remembered that Mr. McKinley felt no hesitation in making such an avowal, the bishops showed no surprise in hearing it, and after the church press had given it national circulation it was generally accepted, among the churchfolk of the United States, as one more evidence that the war with Spain had been ordained by God. The difference between the two points of view — that of 1899 and that of to-day — clearly is caused by a loss of confidence in the ethical pretensions of the Western state, in 1899 confined to the Filipinos, but to-day making rapid inroads among Westerners.

Pages could be filled with illustrations of the way in which this implication of Western religion with the Western state has operated, in recent years, to undercut the pretensions and efforts of the Western missionary. As typical of the sort of thing that has gone on, however, consider the effort of Western churches to evangelize the Congo. Here is a region almost as large as Europe, minus Russia, in which the first efforts of the missionaries, opposing the slave trade, laid the foundation for a genuine missionary success. Nowhere have there been more devoted missionaries than have gone into the Congo, under both Catholic and Protestant auspices. But the Congo became the scene of the most appalling atrocities in the history of Western imperialism. Even to-day one's stomach sickens at the story of the way in which money-crazy white men, under the orders of a "Most Christian Majesty," robbed, tortured, raped, and massacred the defenseless blacks. Yet, through all this carnival of evil, and despite the protests of missionaries on the spot, the unalterable record is that King Leopold had no more unquestioning, ceaseless support than was given him by the Catholic party in Belgium! Is it any wonder that even the naïve black man, as he becomes cognizant of this participation by religion in his despoliation, should conclude that the missionary is either a fraud or a dupe — generally the latter?

Or take an illustration of another kind, the implications of which are still unperceived by the majority of Western churchmen. With whatever justification, a considerable portion of India is seeking freedom from British rule. In the revolution which is in progress, any religious institution which might gain the reputation of so operating as to thwart or impede the achievement of nationalist aspirations would certainly find itself under heavy handicaps in the event of nationalist success. All Western missionaries see this; a great many of them also believe that nationalist success, in some important degree, is inevitable. At the same time, however, these missionaries find themselves under financial obligations to the British *raj* for the support of many of their institutions. If they are of other than British nationality they find themselves pledged to a neutrality which, by debarring any encouragement to the nationalists, works out as at least passive support of the British position. And so long as the ethical judgment of Gandhi, with its insistence upon the morally evil quality of British rule, is maintained by the mahatma, it can be seen that the Western religious worker has little chance of influencing those who acquiesce in that judgment.

To those who were on the sidelines there was something almost comic in the distress which American diplomatic authorities experienced five or six years ago when a minority of the American missionaries at work in China petitioned their government to exempt them from the extraterritorial and "gunboat" protection which has traditionally been afforded American citizens in that country. The position of the missionaries was not hard to understand. The types of "protection" which they sought to escape had come to be regarded by the Chinese as symbolic of that "foreign exploitation" against which there was general national anger. So long as they appeared to be beneficiaries of this "protection" the missionaries felt their moral standing to be compromised, and their converts were widely stigmatized as "running dogs of the foreigner."

On the other hand, the refusal of the American government to accede to the missionary request was equally reasonable. How, as the harassed American minister at Peking put it to a group of missionaries, was the government to draw distinctions between its citizens? How was it to send no gunboat to protect a mission compound, but at the same time to send a gunboat to protect the Standard Oil compound alongside it? And if the government was to admit, by implication, that there was no moral justification for the resort to cannon to protect the missionary, how could it maintain itself justified in protecting the oil trader? The



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dilemma which grows out of the attempt of the pacifistic ideals of religion and the accepted processes of the Western state to operate in the same field of action could not be more strikingly portrayed.

## IV

At no point has the relation between Western religion and the Western state been more intimate than in the state's exercise of its war-making powers. No Western state has ever gone to war without receiving the blessing of religion. The war songs of all of them are filled with appeals for the favor of Heaven and gratitude for the support which, in past conflicts, has been accorded by Providence. Until the present, Western religion has accepted this rôle with almost complete complacence. But the folly of the World War, with its subsequent revulsion in public feeling throughout the West, has produced a new examination of the whole question. As a result, important Western churches have come close to adopting a pacifist position.

The effect of this is being registered within the churches in many ways. I could quote pages of actions taken, by the Lambeth conference of Anglican bishops, by the Federal Council of Churches of Christ in America, by the governing bodies of various denominations, by interdenominational convocations of ministers, and by scores of other church organizations. All of them have one general purpose — to warn the state against any longer taking it for granted that the church will bless its going to war. When the *World Tomorrow* polled the Protestant ministers last year, out of 19,000 replies, more than 12,000 — 62 per cent — answered yes to the question, Do you believe that the churches of America should now go on record as refusing to sanction or support *any* future war? And more than 10,000 — 54 per cent — affirmed their personal pacifism in relation to any future war. Nor was it a blind poll. Most of the ministers signed their names — potent names in American church life.

Superficially viewed, things like this seem to indicate that the current is running strongly in the direction of completely separating the churches from the war-making activities of the state. But is it? At least four considerations indicate that such a conclusion is premature. In the first place, it must be admitted that the attempt to cut the churches loose from the state at this point is largely a clerical movement, and has a very debatable measure of lay support. Second, it is a movement that has made almost no headway in the Roman Catholic, Greek Catholic, or Lutheran churches, or among the so-called Fundamentalist churches of the evangelical group. Third, it is not endorsed, except with reserve, by most ecclesiastical executives, conscious as these men must always be of danger to their church's property interests. Most important of all is the fact that the Western states have no desire to raise this issue in any sharp fashion during a period of peace. But let war come — and the failure of the disarmament conference at Geneva shows how real is its menace — and any churches which might attempt to maintain their present pacifist resolutions would find themselves engaged in a struggle of major proportions.

In the United States, as a matter of fact, the ground is already being laid for this test. Despite popular belief, this nation has never worked out the issue of relationship between church and state. But official notice has now been served, by the highest judicial bench, that the American state asserts its authority, in the war-making realm, in the most unqualified terms. The opinion of the Supreme Court, handed down in the case of the naturalization petition of Professor Douglas Clyde Macintosh of Yale University, lays it down as a principle that "unqualified . . . submission . . . to the laws of the land, as well those made for war as those made for peace, is not inconsistent with the will of God." To put it in plain words, this makes a vote in Congress for a declaration of war an expression of the will of God to every loyal citizen. Imperial Caesar never went beyond that.

But now, over against this claim of the sovereign state, the churches are sharply aware of the vast public revulsion against war as a morally justified method of settling international disputes. Great masses throughout the West are now ready to agree that modern war has no victors, settles nothing, and is an act of folly under any circumstance. This revulsion is particularly felt among youth, which has no desire to sacrifice itself in any such way. This is not true of all youth, since some of the most belligerent and chauvinistic groups to be found in the West to-day are youth groups. But in



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practically every Western state, save Russia, there are tens of thousands of young people who hold war both folly and crime. And these are precisely the idealistic, aggressive type of young people who should provide the sinews of the churches' strength in the next decade. Yet they will be found critical of the churches, aloof from the churches, for many reasons, but more than all others because of their scorn for the part which the churches played in the World War. The way in which the churches encouraged the Western peoples to revert to a belief in tribal gods, their failure to mitigate the moral debacle behind the lines, is not only remembered but perhaps even exaggerated.

## V

HERE, then, are two large-scale illustrations of the way in which the involvement of Western religion with the Western state undermines its moral pretensions and so threatens its future. In the first case cited, the impossibility of divorcing Western missionary effort from Western state imperialism has led to the rejection of the ethical and moral claims of Western religion by non-Western peoples, and this, in turn, is fostering increasing skepticism concerning those claims in the West itself. In the second case, the feebleness of the church when confronted with the determination of the state to resort to war, or its actual blessing of that reversion to barbarism, produces a like skepticism as to its right to moral leadership among still other groups, notably youth. To free itself from this source of continued and growing weakness, Western religion would, in both cases, have to resort to drastic action. And there need be no illusion as to the cost of this action.

Consider, for example, what would be involved at the moment Western religion tried to free itself entirely from the handicap of the Western state in any mission field. Take China as a case in point. Bishop Francis J. McConnell, now president of the Federal Council of Churches of Christ in America, years ago mildly protested against the shipping of missionaries and munitions to China on the same steamer, holding that it was a source of confusion to the Chinese. But suppose now that the churches supporting these missionaries went as far as their ethical insights urged them to go in condemning the past policies of Western states in China, in denouncing and giving up their present privileges secured by debatable means, and in making public their conceptions of a morally justified basis for future dealings with the Chinese. The howl of wrath that would go up from Western industrial exploitationists at work in China, from Western statesmen alarmed for the strength of their policies, and even from certain givers to missions fearful for the security of their "investment" would quickly produce dismay, confusion, and an ultimate division within the now lethargic and largely uninformed membership of the Western churches. The effect would be even more upsetting and divisive in the event of any attempt to disentangle Western religion from the war-making function of the state. For whatever else may or may not be true of the great bulk of the church members of the West, this may be stated with confidence — they are patriots first, and everything else in lesser measure.

Yet the most worthy leadership of the churches in the West realizes that some such disentanglement from the state — in the absence of any real hope of establishing the church's moral authority over the state — must be achieved if the future of Western religion as a vital moral factor in society is to be assured. Little by little, therefore, with infinitely careful and lightly treading steps, these leaders are moving toward a new definition, that shall be in many respects a startling re-definition, of the relations between church and state. Such a movement cannot, however, get far before it will begin to arouse suspicion and opposition. This suspicion may already be seen awakening in the increasing demand, heard in some quarters, that the church quit meddling in politics. And as the significance of all that is involved becomes clear, this opposition will take extreme forms.

Hence there is to be discovered in this approaching attempt to free the churches of the West from the handicap of their supposed acquiescence in the policies of Western states one phase of the ordeal through which Western religion must pass. It is, however, only one phase of this ordeal. In next month's article attention will be centered on the bitterness of the ordeal that is being prepared by the relations of Western religion with the Western industrial order.



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# Our Next Cabinet

## *A Poll of Popular Opinion*

THE EDITOR recently wrote to a number of men prominent in banking, farming, labor, and the law asking their opinions as to whom President-elect Roosevelt should choose to fill the various positions in his Cabinet. "Nothing could do more to bolster up the faltering confidence of the country than the appointment of a strong Cabinet chosen for its eminence and ability," the Editor wrote; "nothing could do more to destroy it than the choice of a weak Cabinet based on political expediency."

The response to this letter from all over the country proved that the selection of our next Cabinet is a matter of the greatest popular interest and concern. In the following pages we give excerpts typical of the many replies received. Incidentally, they may be taken as an answer in part to Elmer Davis' challenge — "Confidence in whom?" — in this issue.

### OWEN D. YOUNG

The man best suited to serve as Secretary of State of the United States is Mr. Owen D. Young. His intellectual qualities are outstanding. His experience in law, in industry, in domestic and international finance has given him a valuable background, which is exceeded by no other person in the country that I know of. He has extraordinary human qualities. He is sympathetic with progress, but sufficiently realistic not to endorse hair-brained schemes invented by the intellectually incompetent whose only title to the term "progressive" is a pious wish to make the world a better place to live in. Everyone wishes that, but very few are practical about it. Mr. Young is. Mr. Young has diplomatic qualities which have been demonstrated in many fields. He has an extraordinary capacity for "amiable discussion" designed to bring out the truth in any controversial field. I have never known him to win anything but the utmost good will of his opponents in any situation. If I had the power to amend the Constitution of the United States to make Mr. Young permanent Secretary of State for the balance of his life, I should be glad to do so.

GERHARD M. DAHL
*Chairman of the Board,*
*Brooklyn-Manhattan Transit Corp.*
*New York, N. Y.*

### JOHN W. DAVIS

In my opinion, John W. Davis is the best qualified Democrat for the position of Secretary of State. One of the great leaders of the American Bar, a statesman with intimate knowledge of world affairs, thoroughly trained in the handling of diplomatic matters through service to the Court of St. James as United States Ambassador, he would bring to the office an understanding and an equipment of experience which I believe no man, in any party, has at the present time. Aside from the great vision he would have in dealing with international problems, he would be of the greatest aid to Mr. Roosevelt in national affairs.

S. STANWOOD MENKEN
*Lawyer*
*New York, N. Y.*

### NORMAN H. DAVIS

For Secretary of State under the new administration I would unhesitatingly recommend the Honorable Norman H. Davis. Mr. Davis has had a broad experience in business and with government and has had occasion to take a principal part in many negotiations between the United States and other countries. His



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methods are wonderfully direct and he has that rare characteristic so seldom found in public men of being willing to admit ignorance on any subject placed before him until he has had an opportunity to study it. In his dealings with others he is courteous but positive, sound, and effective. If he were Secretary of State of the United States I am confident that his methods would be so straightforward and intelligently carried out that no nation with whom he might have negotiations could take offense.

FRED I. KENT
*Director, Bankers Trust Co.*
*New York, N. Y.*

### NEWTON D. BAKER

There are several men eminently qualified to serve. The one who, in my opinion, seems to combine most qualifications for the post is Newton D. Baker. Others may be equally able; but Mr. Baker, in addition to outstanding ability, has had long administrative experience under unprecedented conditions which have brought him into close touch with foreign affairs. Moreover, he is from the Middle West and, in the estimation of the public, not identified with what are commonly referred to as "Wall Street" and "the interests."

SEVERO MALLET-PREVOST
*Lawyer*
*New York, N. Y.*

### MELVIN A. TRAYLOR

Melvin A. Traylor, banker, of Chicago, is my suggestion for Secretary of the Treasury in President-elect Roosevelt's Cabinet. Farm reared, common school educated, foresquare, two-fisted, fearless, constructively courageous, and familiar with the theory and practice of banking from office boy to president, "Mel" Traylor enjoys the respect and admiration of everyone who knows him. His technical knowledge comprehends the country town, the small city, the metropolis, and international financial relationships. President-elect Roosevelt will add substantial strength to his Cabinet and inspire nation-wide confidence by persuading Mr. Traylor to accept the Treasury portfolio.

*Secretary of the Treasury*

FRED W. ELLSWORTH
*Vice President, Hibernia Bank & Trust Co.*
*New Orleans, La.*

### OWEN D. YOUNG

I suggest Owen D. Young, as he is one of the brainiest business men in America and would aid Mr. Roosevelt in all problems. For this reason he should be in the Cabinet, and I believe he is better qualified to serve as Secretary of the Treasury than in any other Cabinet place. Second choice — Mel Traylor. He is competent, has the confidence of the business men of America, and bears the reputation of being able to get things done.

CHARLES A. FAIRCLOTH
*Cashier, Passaic National Bank*
*Passaic, N. J.*

### TRAYLOR OR REYNOLDS

It is my opinion that either Mr. Melvin Traylor or Mr. Jackson E. Reynolds is especially well qualified for the position of Secretary of the Treasury. I might add that if Senator Glass were a younger man, I would consider him a splendid choice and eminently fitted for the position. Both Mr. Traylor and Mr. Reynolds are young, energetic men, thoroughly progressive in thought and action. The remarkable ability of Mr. Traylor is evidenced by his steady advance in the financial world from Cashier of the Bank of Malone, Texas, to the Presidency of the First National Bank of Chicago, through twenty years of untiring effort. Mr. Reynolds, combining a background of educational training and experience with successful leadership in the business affairs of many large enterprises, and notably as President of the First National Bank of New York, has also demonstrated his ability. No doubt there will be other appointments from New York, however, as it is very likely that either Mr. Owen D. Young or the Honorable Alfred E. Smith will be candidates for a Cabinet position, and this would, naturally, "shut out" Mr. Reynolds, in which event Mr. Traylor would, in my estimation, be the ideal man from the Middle West.

A. P. GIANNINI
*Chairman of the Board, Bank of America*
*San Francisco, Calif.*

### ALFRED E. SMITH

I suggest Alfred E. Smith as Secretary of Commerce. Moreover, I do so disagreeing with him in almost every particular. He is



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a wet — while I am a dry. He is a Democrat, while I am a Republican. He is a Catholic, while I am a Protestant. He is a politician, while I am a statistician. However, he has rugged honesty, boundless energy, common sense, and *real courage*. He moreover has great influence on the business world to-day amongst all groups. He surely should be in the new Cabinet and he will fit best as Secretary of Commerce. However, Colonel Howe will make the selection — not Governor Roosevelt or I.

Secretary of Commerce

ROGER W. BABSON
*Wellesley Hills, Mass.*

### HERBERT HOOVER

Inasmuch as the election of Franklin D. Roosevelt was accomplished by Republican votes, which also gives him a working majority in Congress (not supplied President Hoover), and whereas both men have expressed the opinion that successful government must serve the needs of the people, why not advocate that the services and experience of President Hoover be continued for his people by the offer of a Cabinet post? The country cannot afford to relegate to the hinterland, at a time like this particularly, an exceptional and experienced officer of the government because of political affiliation. Our people are getting too big for the continuance of such antiquated methods in retiring a government, and our government too complicated, not to avail itself of a cross-section of the biggest minds possible. This idea might also apply to Norman Thomas, whose type of leadership has been an outstanding one of the present campaign.

HARRISON P. BROWN
*Macomb County Republican Committee*
*Mount Clemens, Mich.*

### FELIX FRANKFURTER

In my opinion the next Attorney General should be Professor Felix Frankfurter, of the Harvard Law School. A brilliant teacher and legal scholar in those branches of the law with which he would have to deal as Attorney General, he has also had ample experience in litigation for the government and in advisory and administrative capacities at Washington. An able and fearless champion of the school of thought of Holmes and Brandeis, his appointment would stamp the Roosevelt administration as standing for that sane and realistic liberalism which is the best protection of American institutions against the equal dangers of Fascism and Communism.

Attorney General

FRANCIS G. GOODALE
*Lawyer*
*Boston, Mass.*

### NEWTON D. BAKER

I have no hesitancy whatsoever in naming Newton D. Baker as the man I believe best qualified to serve as Attorney General of the United States in the next administration. He is, in my opinion, the ablest lawyer in the Democratic Party in the largest sense of the words. I also regard him as the most conspicuous statesman of the Democratic Party and its most characterful leader. Whereas almost every other leading Democrat has at one time or another compromised with the forces of evil to gain some selfish end, I do not know of Newton D. Baker's ever having in any way compromised with anything or anybody for selfish reasons. He has of course made those compromises of statesmanship that are necessary to gain larger and commendable ends. His record and his character are equally unsullied. The only possible reason why he should not be Attorney General is found in the suggestion that he should be Secretary of State. John W. Davis has ability, but in recent years he has cheapened himself by defending certain reprehensible Tammany practices for the purpose of earning bread and butter. We all need bread and butter, but thanks to Providence there are still a few men left in this country who will not pay any price to get it.

CHARLES GARSIDE
*Lawyer*
*New York, N. Y.*

### LEWIS, GREEN, MORRISON, OR WILSON

There are quite a number of men in the American Labor Movement who are well suited to serve in the Cabinet of President-elect Roosevelt as Secretary of Labor. Without going into the political qualifications of the various persons, I would refer to such an outstanding officer of the American Labor Movement as Mr. John L. Lewis, President of the United Mine

Secretary of Labor



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Workers of America, and whom I consider the biggest man in the American Labor Movement. Also such men as Mr. William Green, President, and Mr. Frank Morrison, Secretary, of the American Federation of Labor, and Mr. W. B. Wilson, who was Secretary of Labor under President Wilson. Any of these men would stand out in any Cabinet and is equipped to give splendid service to the Nation and especially to American Labor.

THOMAS KENNEDY
*Secretary-Treasurer,*
*United Mine Workers of America*
*Indianapolis, Ind.*

### DANIEL J. TOBIN

For Secretary of Labor I suggest Mr. Daniel J. Tobin. A man of strong personal character and integrity, intelligent, and of proven executive ability. His many years of active service and contact with labor, his knowledge of labor's needs, his experience gained in the solution of many problems eminently qualify him for this responsible office.

JOSEPH BLASEY
*General Secretary,*
*Journeyman Stone Cutters' Assoc.*
*Indianapolis, Ind.*

### FRANCES PERKINS

With great pleasure I endorse Miss Frances Perkins for the position of Secretary of Labor. I think it is time that we had a woman in the Cabinet. We are far behind European countries in this particular. In addition, the qualifications of Miss Perkins for the position equal, if not excel, those of any other possible candidate. Her record in New York State has provoked the admiration of all workers, economists, and sociologists.

FLORENCE C. HANSON
*Secretary-Treasurer,*
*American Federation of Teachers*
*Chicago, Ill.*

### HENRY A. WALLACE

*Secretary of Agriculture*

In regard to my choice of a man for Secretary of Agriculture, in my opinion it would be hard to beat Henry A. Wallace, of Des Moines. He is a man who I think understands the problems of the farmers and laboring people, is one of the best-posted men in the country on international affairs as they affect the agricultural interests of the country, and is greatly respected by both Democrats and Republicans. I am sure he would be a very strong member of the Cabinet and one of whom the country would be proud.

HARRY POUNDSTONE
*Master Farmer*
*Clarion, Iowa*

### JOHN J. PERSHING

*Secretary of War*

General John J. Pershing possesses the training, experience, intimate knowledge of the Army including ramifications of the War Department, the staunch character, solid judgment, breadth of view (unbiased by partisan distortion), the prestige and record of achievement that combine to insure maximum efficiency in the conduct of military affairs. His detailed information concerning all armies in Europe and Asia, acquired by personal contact, would make him invaluable as adviser to the President in matters pertaining to arms conferences or in case of threatened war. His qualifications for the post far surpass those of any other living American. In the present emergency no less than the highest will satisfy.

ALVA LEE
*Journalist*
*Salt Lake City, Utah.*

### THE FAVORITES

JUDGING by the number of letters received urging his appointment, the most popular choice for the Cabinet would be Melvin Traylor, with Owen Young running him a close second. The bankers, in particular, are almost unanimous in their support of Traylor for the position of Secretary of the Treasury. Henry A. Wallace was strongly endorsed by farmers all over the West. Daniel J. Tobin appears to be the favorite of the labor unions. Newton D. Baker's support was confined to no section or class. He was enthusiastically endorsed Secretary of State and Attorney General.

**Other Letters Concerning Proposed Members of the Cabinet Will Be Found on Page VII**



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# In Our Stars

## *The World Fifty Years from Now — III*

*by* **BERNARD FAŸ**

**I**

My dream of the future is a highly personal one — a dream for 1932. To every man his own future, and to every year. The future is never solidly fixed and well defined. It fluctuates unceasingly, and renews itself in accordance with the drift of the present. It exists, but it is never stationary; it is a force which one may perceive, but it is constantly transforming itself. The vision of the future which I am about to give to-day is the only one that I can offer at the present moment. You, my reader, doubtless have another and different vision, and both of us, I hope, will have still others before we die.

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I have chosen this particular vision — and perhaps it has some worth—because the present weighs more and more heavily upon us in these last months of 1932, and the future offers itself as a convenient escape. The darkness of the immediate hour is so heavy that the faint gleams of light from tomorrow resemble a dazzling dawn. Let us examine them.

I must first explain what form my future takes. For some, the future is a fine house. For others, an imposing code of laws. For Mr. Shaw, I imagine, it is made up of interviews. For Mr. Wells, it is a machine devised for settling human problems. For scientists, it is a curve and some statistics. For the ladies, it is some kind of a new hat. For politicians, it is programs and a ballot-box. For the writer, numerous editions. For beautiful women, a series of smiling and changing faces.

For all of us, finally, it is the earth where we shall all rot.

For my own part, I can only conceive of the future in terms of man. I can think of it in no other way. I can really love nothing on earth save man. I have no hatred for dogs, or elephants, or fleas, but I don't love them. I don't believe in aeroplanes, science, and progress, in railway timetables or in economic laws. I cannot think of them as real, and there will be none of them in my future. There is no room for them. I freely give the lot of them to Messrs. Shaw, Wells, Stalin, Sinclair Lewis, Mussolini, and the rest — to all those estimable gentlemen who are fortunate enough not to realize that man is the one supremely important thing on this earth, and that the rest is of little consequence.

My future, then, has a human countenance.

It would be easy to chart the future if communities and civilizations were in the habit of dying out through exaggeration of their initial impulses or through a brutal reaction against their excesses. Seldom, however, does it come about that way. In general, so feeble is the energy of man that he does not succeed either in intoxicating himself with it, or in finding a reason for distrusting it.

Often nations, communities, and civilizations disappear by merely wasting away; they dissolve of their own accord. The vital impulse which originally gave them birth is never a pure, undiluted element, but a complex combination, and this complexity in time develops in such a way as to bring on death. The Middle Ages, at their inception as at their end, dreamed of creating a Christian world in imitation of the Roman Empire. In the sixth century this seemed entirely logical, and proved to be a useful concept. In the fourteenth century it resulted in two contradictory trends — one in the



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direction of a vast hegemony of spiritual forces ruling over the nations, the other tending toward the establishment of a rational and pagan despotism over all men. Torn between these two instincts the Middle Ages collapsed, unable to make a choice.

Since then, some will say, humanity has marched forward in an orderly fashion on the road of progress. Certainly humanity has advanced notably since 1500, but it is difficult to discern what direction it has taken. Whatever the road it has chosen, that road is remarkably tortuous and twisted. As for the word "progress," it is impossible, in 1932, to derive any real meaning from it. One often finds it applied to bathroom fixtures, to toothbrushes, to automobiles, or to sexual relations. It is marvellously useful in a mechanical age — which makes one suspect that it has no meaning.

It would be futile to say, for example, that moral progress during the next fifty years will make war impossible. It happens that in Asia and South America there are certain small, endemic, unofficial wars which would suffice to belie this prediction. On the whole, however, it does not much matter. Wars will cease on the day when men overcome their instinct for individual and collective violence. They have never yet reached that point. A great propaganda movement has, it is true, been organized in the past thirty years to demonstrate the absurdity of the idea of war and to impress upon the world the horrors of wholesale slaughter. This propaganda has probably fired the imaginations of many men. During the very same period, however, nations, philosophers, schools, and universities have set themselves to glorifying revolutions and their triumphs. They have tried to prove that all important and desirable innovations in our modern era have come about as the result of revolutionary action, as the by-products of the American Revolution, the French Revolution, and of German, Italian, Spanish, and Russian revolutions. They have thus merely succeeded in changing the sphere of action in which the idea of violence may exercise its sway. They have disarmed the armies in order to arm the citizens. War, accordingly, will no longer take place on battlefields, but in the city streets, and the real soldiers will be the police and their opponents. There will be an end of massacre in the trenches, and we shall have instead massacres around the city halls and the government buildings. This may be a kind of progress, but I do not set much store by it.

Can one say that henceforth men will kill less because they will have become more compassionate? Such a claim has been made — but it has hardly been proved. It is true that the majority of mankind seem to have a greater dread of death and suffering than hitherto. They seem, even, to be afraid of all death-dealing instruments, and they regard death almost as a contagious disease. All this is true. It is also true, however, that, despite this fear, the pleasure of killing remains much what it used to be, and retains all of its old appeal. We shall see it in its new guise, wearing a cap instead of a helmet, and hiding its machine gun behind a declaration of rights instead of a buckler of steel.

## II

Revolution and cancer will probably be the two most prevalent maladies of the latter part of the Twentieth Century. They will not, however, be the most serious ones. Men are less apt to die from their maladies than as a result of their diversions. If the Middle Ages had not gorged on the flesh of pigs they would never have experienced, it is said, the epidemics which ravaged them. If Columbus had not busied himself with discovering America Europe would have been spared an evil which has its origin in sensual pleasure.

For us, children of the twentieth century, the pleasure which threatens to destroy us is the very one of which we are most tenacious. Let us try to define it:

Formerly man was an independent unit. He was separated by space from other men. He had his own clothes, his own unique life, his own ideas and feelings. He lived and died in his own home. He was man, and he was individual. We still believe ourselves to be men, but have turned ourselves into a crowd, a mass. Millions of other beings wear the same clothes as we; we no longer have a house in which to hide, nor space and distance to protect us. In immense workshops, factories, or offices we are plunged into a welter of other men: a barbarous mechanism crowds us against them each morning and evening as we go back and forth to work. Another hideous and barbarous machine fills our ears with the same confused noise, each



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morning and evening, with which it assails our neighbor. Even night itself no longer gives us protection; through every chink and cranny in our walls, the cries, the dances, the ambitions, the demands and protestations of others invade our heart, our spirit, and our repose. Jobs, railroads, subways, newspapers, and radio have broken down the once impenetrable shell which divided one man from another. Furthermore, the schools are teaching us to adopt a common code of morals, politics are making it obligatory, and in the great universities the modern priesthood — psychologists, economists, and sociologists — are imposing it upon us as a moral duty. There is no longer any other crime than that of being different, any morality other than conformity.

This is indeed a kind of intoxication. At first men believed that the new order of things would bring on suffocation and death. Then certain among them discovered that, even if it threatened destruction, it also held out the promise of excitement, it could become a kind of drug. The revolutionaries of the late eighteenth century and their successors, the nineteenth century philosophers, evolved the one new and completely modern pleasure — that of feeling oneself part of a crowd.

All barriers have been leveled. A single absorbing passion seems to have taken possession of all of humanity's great leaders: Napoleon, Kant, Marx, Bismarck, Lenin. It is a passion to transform humanity into a herd as vast and homogeneous, as docile and subservient as possible — and to do so by means of blows, arms, principles, and doctrines. This miserable mass once created, they pound at it with redoubled energy in order to transform living, full-blooded, individual flesh into an inert and brutish substance.

They have destroyed everything except the idea of individual salvation, and that is why Communism may one day be reconciled with Capitalism and will become so naturally, since its great dream is to be the heir of Capitalism. It cannot, however, be reconciled with Christianity. It will never concede the idea that man lives alone, and dies in the lonely presence of himself and God. If he is intelligent, Stalin can come to an understanding with Mr. Ford; he could have co-operated with Eastman and Edison, the Rothschilds and the elder Morgan, Laffite and Frederick the Great. He has at his command tasks and functions for all of them. He has no place for a Mallarmé or a St. Francis of Assisi.

The movement impelling men toward gregariousness is at full tide. That which we call democracy was formerly an effort to confer on each individual a share in government, conceived as a duty and a pleasure. It has now developed into a social plan for obliging everyone to become part of a mass. Social hierarchies, racial differences, professional specialization, and even nations themselves have all been undermined by this powerful force. More and more the whole of humanity is being carried away by the vertigo of mass psychology.

Much, however, must still be shattered before the individual, shaped by Greek wisdom, Roman justice, French criticism, German idealism, English pride, and Christian mysticism, can become a mere segment of a crowd — before this new satisfaction can make him forget all his ancient delights, all his reasons for living. One must, in short, wipe out all memory of the past, all dreams of the future, and leave nothing but the warm, immediate, animal perception of the present. It has been done in Russia, but Russia is a country in which the past and the future never had much hold.

This new and cruel obsession will be our major malady. It knows its strength; it knows that it can kill and destroy; it knows its capacity to possess and stifle.

Up till now it has been able to possess human beings in the mass, but it has only been able to wipe out individuals. It seeks to attract them, and sometimes it succeeds, but it is as fatal for the individuals whom it attracts as it is for the individual who is repelled by it. A Chaliapin, a Gorki, can accept Russia's new order, and can even extol Russia, on condition that they actually live outside the Russian boundaries. The individual retains the instinct to be different, and the need of a future.

Will the great masses of mankind — who have been, up till now, dull, wretched, ugly clods — develop themselves to such an extent that they can replace the individual, or will they find a means of offering him joys which will compensate him for those supplied by the ancient social order and the ancient moral ideal?

They will endeavor, after they pass the militant stage, both to refine themselves as a



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group and to facilitate the autonomous life of the elements which make up that group. History shows, however, that this effort has always failed, and that every mass grouping breaks up as soon as its aim again becomes the well-being of the individual. It is then that the test will come for Socialist orders of civilization; under pressure of conflicting desires they will be dissolved. First, however, there will be a prolonged struggle, a brutal strife between the masses who will not accept differentiation and the individuals who will not resign themselves to homogeneity. This perpetual and universal struggle has barely begun; it must continue for at least a century — a mere pause in the life of humanity.

## III

It will be made more bitter by the other great delirium with which modern man is ridden: industrialized science.

Until the seventeenth century men were proud of their intelligence because it enabled them to create a spiritual world and to enjoy the fruits of the material world. Beginning with the eighteenth century men perceived that they could use their intelligences to create a material world. They became immensely engrossed in doing so, and they acquired a passion for utility. They created modern science; they installed modern industry; and they made work the greatest of their gods.

In 1914–1918 science and industry proved that they could destroy life as well as build it up, and that they were equally ready to do so. This roused a spirit of uneasiness in mankind, which peace somewhat calmed.

In 1929–1932 science and industry taught man the further lesson that they were not instruments of his will, but unbridled forces which he had ceased to control. Even if he wanted to, man could no longer cease inventing new machines and fabricating new goods — yet he runs the risk of having everything destroyed, his possessions, his civilization, and his very world.

Confronted by overstocked granaries, by glutted factories, by rivers crowded with too many boats, man, his head empty of ideas, his heart bitter, his eyes haggard, is a grotesque and lamentable spectacle. He has unleashed a bounty which has overwhelmed him. He cannot assimilate the giddy inventions spawned by his imagination and his figures. He has achieved, for his pains, headache, nausea, and an incurable satiety. His spirit, moreover, has lost the discipline which formerly permitted him to restrain his imaginative conceptions and to keep them in the realm of the spirit.

Mankind is oppressed by the overproduction of material objects and the lack of intellectual, moral, and artistic riches. While on the one hand we are failing to eat all our grain, to use all our railroads, to employ all our automobiles, on the other hand we are withering away in anguish because we cannot find in ourselves ideas, desires, and dreams which would content us. We have made a mess of everything.

Science has accustomed us to deriving all the elements of our interior life from the material world. In actuality, science is a great passive mechanism. It puts man at the mercy of externals. He can no more make or create anything, except with the aid of concrete things. On the pretext of putting material things at our disposal, science has made them indispensable to us. It has failed, however, to give us spiritual nourishment.

This is the secret of the great misery prevailing in 1932. As far as the majority of men is concerned, science has given an illusory aspect to all that is not material; it has deflated ideas, emotions, and those primary desires which rank above all others. What it has given in exchange cannot be assimilated by the human soul, and does not conform to the desires of man.

If this state of affairs continues, man will die of starvation of the mind and surfeit of the stomach.

## IV

To take its mind off itself, humanity goes to war.

Men have developed the habit, when they are unable to slay their inner enemies or to grapple with their spiritual ones, and do not know how to wipe out the dangers which threaten them, of killing each other as a form of compensation. There is every chance that they will continue to do so.

The life of mankind from 1930 to 2030 will consist of an effort on the part of the individual to create new distinctive differences and new solitudes in order to fashion a world into which the masses may not penetrate. It will also be a



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crusade of the masses to conquer individuals — to disarm, assimilate, or kill them. To all this science will add its frantic clamor, and its vast circular movement, like that of a ventilator gone crazy. From time to time, men will be lulled into security and concord if anyone manages to fashion a great picture, a new symphony, a big building, or a perfect poem. They will not, however, be able to live side by side unless they accept a religion — that is to say, unless they create one in their hearts. For faith is always an act of will, the most audacious one possible, and perhaps the only audacious one.

But let us not expect too much of men's wisdom; let us rather paint the picture of what their weakness is likely to do.

Western Europe has originated the bulk of our modern ideas. She knows their weaknesses better than the rest of the world, and so has been able to guard herself more easily against them. France, England, and Italy plunged into industry with a certain mistrust which the present crisis accentuates and re-enforces. They have kept a taste for impractical ideas and leisurely pleasures. Included in their midst are compact groups for whom the mystical life is still more real than the physical life. Menaced by the common danger, these nations cannot help drawing together in co-operation. Their value, on the other hand, lies in their individuality. They cannot merge with anyone, friend or enemy, without losing their reasons for living. They will try to dodge and maneuver, to gain time to safeguard their invaluable past, to wait — all the time allowing the destructive force of the present to spend itself as it may.

They will avoid Communism and Fascism as long as they can. Parliamentary democracy, however, is decaying everywhere. The mass dreams only of mass control — Communism; the individual dreams only of leadership — Fascism. Science, industry, and economic necessities give the same counsels, and it is difficult to resist forever. However, nations which formerly produced men of genius, and which still desire passionately the countenance of a man, have resources for resistance — particularly since their soil bristles with defenses. The flood of invasion will not easily inundate these plains. Everywhere, man, linked to the soil, will defend the soil which nourishes and protects him.

Western Europe, like ancient Rome, will fight the barbarians. It would be easy for her to vanquish them if she had not made the same mistake as Rome. Long before they actually seized Rome and Italy, the Goths, the Suebi, and the Alani had made alliances with the Emperors and had formed colonies. Western Europe still believes in the individual man, and, save for certain hypocrisies, her moral, intellectual, and political life is still based on that faith. She has, however, allowed herself to be fascinated by the idea of the mass originating in the eighteenth century and her great cities have become colonies of barbarians. If she does not civilize them, she will be devoured by them.

She will also be overwhelmed by Eastern Europe.

There is much talk about the Yellow Peril, which, because of its color, inspires a good deal of fear. Poor Asia, however, is a peril only to herself. She stammers uncomprehendingly the lessons which the white race has clumsily taught her. She wants to surrender to a logic which is not her own, and her weakness is dangerous only in the sense that a sick dog is dangerous. He may bite inadvertently; he may die any time; he makes the neighborhood unhealthy.

If Europe is conquered, it will only be from within.

Eastern Europe has avidly absorbed the lessons brought to her from the West. They suit her vague desires, her unformed contours, her immense appetite, her instinct toward fanaticism, her need for grandeur. Russia has realized the dream of the Anglo-French eighteenth century. She has constructed a state which would have charmed the eighteenth century philosophers — or, at least, those who were sincere and tough-fibred. This state may endure, or it may suffer rude shocks. The twentieth century has created in Eastern Europe a mass of human beings which has unlearned distinctive, individual thought in order to learn collective thought, which has rejected or ignored individual happiness in order to build up a gigantic and ravenous social animal. This mass entity cannot nourish itself indefinitely on hopes and discipline. It has no use either for ideas or for art; it considers sports as childish. Only conquest, or death, will satisfy it. It has no majesty save through this renunciation, but thanks to that it has a kind



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of majesty. It will fight. It will invade the surrounding countries in great subterranean waves. It will assault their frontiers. It will lay siege to human passions and desires. The battle will be a long one, for the mass cannot be conquered by force. It will be conquered, if at all, by the human spirit and its revulsions.

On the far shores of the Atlantic the United States will occupy the position formerly held by Byzantium. I never return to New York without thinking of seventh-century Byzantium. The same wealth which derives from elsewhere, but which has taken root in favorable soil; the same dreams of grandeur; the same frenzied haste; the same lust for gold, marble, mosaics, and exotic objects of all kinds; the same difficulty in finding its true self amidst all that the world offers, showers, heaps upon it. Like Byzantium, the United States reflects the civilization of the old world in its most traditional aspects, but with more freshness, audacity, and confidence. The mob in America is less menacing than in Europe, for it is still surrounded by space and isolated by an ocean. Whether she wants to detach herself in order to enjoy her immense resources in peace, or whether she seeks to dominate with their help, and by force, America has a chance of realizing her aims. She has only to decide, and to know what it is that she wants. From 1920 to 1932 she has paid dearly for attempting a policy of political isolation and economic co-operation. However rich she is, she could not with impunity afford to repeat this error in the course of the century. Furthermore, since her people have more energy than intellectual acumen, she needs leaders with clear-cut ideas. If she can find them, she will be the destined agent who will save the civilization of Western Europe or who will gather up the debris.

## V

"But you do nothing but talk about disasters," said the friend to whom I confided these pages.

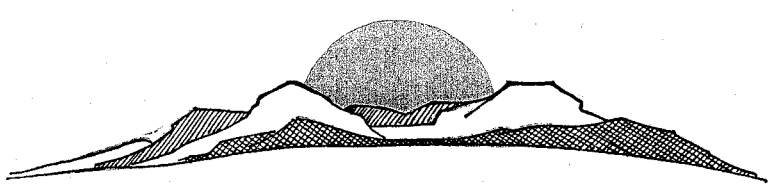
"My dear," I replied, "the life of nations is merely the history of their disasters.

"If I tried to talk about future felicities, I should have to speak of individuals — dazzling countenances still veiled in mist, noble bodies which as yet merely haunt our dreams, creative spirits which some day will enchant us. This would not be history; this would be fantasy.

"If, Madame, I tried to describe the joys of the new world yet to come, I should have to evoke the ardent passions which will color it, the fair illusions which will gild its stupidities. I should have to tell you that, to my way of thinking, it is never impossible to create a new art, and that, with the aid of a new art, humanity could experience a century of happiness and oblivion — that is to say, of life. Even now our art has learned, better than our politics or our industry or our poor wounded nations, to recreate some kind of solitude for man, some kind of differences in him. What else are the poetic exercises of Gertrude Stein, Joyce, and Valéry, the paintings of Picasso and Derain, the music of Stravinsky and Satie, but oases of solitude where the individual may rediscover his freedom and intensity? One may, perhaps, say the same thing of the theories of Einstein, so delightfully mysterious that they appear to condemn all practical science.

"No, my dear, I have not renounced the beauty of the world, but I do not believe that it ever has existed, exists now, or will exist of itself alone. We must laboriously construct it, and only the individual can do so. Sometimes society helps him; sometimes it hinders. In the coming century it will have an opportunity to oppose him with more strength and skill than ever before. But the individual will find a stimulant and a joy which his ancestors never knew. Man, having no longer anything with which to protect himself against other men, against the mob, against material things, must derive from his own spirit all that he needs in order to live. In the midst of a wealth of riches, he has never been more naked.

"He must rebuild his religious life; he must create new arts; he must discover new emotions and new passions. What joy is greater than that?"





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# The Dead Hand of Bureaucracy

*by* **LAWRENCE SULLIVAN**

When Congress, in what passed at the moment as its wisdom, determined in 1928 to subsidize the American merchant marine it followed the new impulse of commercialism to the bitter end and inserted in the bill a clause requiring all agents of the government crossing the high seas on official business to travel only on vessels flying the American flag.

"Let American dollars be spent on American ships!" ran the slogan of the hour on Capitol Hill.

Came, then, the momentous five-power naval conference of 1930, a milestone in the history of the world. When Admiral Hilary P. Jones, the chief of the American technical staff, suddenly was stricken ill in London physicians advised him to return to the United States by the first liner. It so happened that the first sailing out of Southampton was the Cunarder, *Berengaria*, a perfectly satisfactory vessel from every point of view, but not, unfortunately, under the flag of the United States. Wholly unaware of the lawlessness of his act, as it turned out, the stricken admiral arranged passage and boarded the British ship.

Early in May, 1930, Admiral Jones presented his expense account to the State Department's disbursing officer. Three days later it bounced back from the General Accounting Office with a curt note informing the Secretary of State that the Cunarder voucher could not be approved. During the next eighteen months the correspondence raged between the Comptroller General, on Fifth Street, N.W., and the Department of State, on Seventeenth Street. But never did Comptroller General John R. McCarl give ground by an inch. The expenditure was contrary to the law of the land. It could not be approved.

Beaten down at length by the sheer monotony of the exchanges, Secretary Stimson tried another tack. Early in January of 1932 he directed his legislative drafting officer to present a special bill in the Appropriations Committee of the House of Representatives authorizing payment of $258 to Admiral Jones for his passage home. Within ten days this bill had been approved by the committee, passed by the House, reported favorably by the Senate's Committee on Appropriations, passed by the Senate, enrolled in both Houses, signed by the Speaker and the Vice-president, carried to the White House for the signature of President Hoover, and transmitted at last to the State Department, the repository for all the laws of Congress. It then required but one



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more letter to the General Accounting Office to obtain a check for Admiral Jones. Under the authority of Secretary Stimson's special law the voucher finally was "approved for Treasury expenditure," and the admiral, being yet alive, was duly reimbursed. The jealous gods of red tape had been served.

True, the process had been costly. But it is never for the General Accounting Office to reason why. The letter of the law is the only rule of conduct in that section of town; and if the vital functions of government become inextricably entangled in the hair-splitting formalities of legal interpretation, so much the worse for government. Let men of the world call it red tape; the simple truth remains, as the Comptroller General has said so often in his official opinions, that nothing can be done about it.

Thus does the government of the United States move forever by jots and tittles. Law, in its very nature, always must be written in general terms. But the business of government inevitably is a series of specific transactions between humans caught on the wheel of things. Almost never do the particular angles of a given situation conform precisely to the pre-determined legal formula of administration as set forth in the often hazy diction of the honorable Congress. In every quarter, therefore, administration works out along one of two lines; either it is the high art of bulging the law from day to day to the pressing requirements of the service — and without exposing the technical crime to the General Accounting Office — or it is the anæmic and spiritless routine of myriad transactions meticulously adjusted to literally millions of laws, decrees, proclamations, regulations, and administrative formalities. The dead hand of bureaucracy is heavily upon the land, and no department, bureau, division, or agency is beyond its choking grip. One hears most frequently the dreadful creaking of the General Accounting Office, but only because in that sector the grave opinions of the Comptroller General upon the eternal conflict of law and reality are set down in type, filed, cross-indexed, and so preserved from generation unto generation in cumulative complexity and absurdity. There, in the records of twenty years, lies the whole documented history of Washington's disgraceful bureaucratic stagnation.

## The Worst-Run Business in the Country

Soon after he took up his duties as Secretary of Commerce in 1921, Herbert Hoover directed his attention to the problem of modernizing the federal administration. War-time contacts with the governmental agencies had impressed upon him that the Washington organism was shockingly cumbersome in the execution of even its most commonplace routine.

"I have found," he remarked to an intimate soon after he began his dissection of the sprawling federal establishment, "that the brown bears are under the jurisdiction of the Secretary of Agriculture, the grizzly bears under the care of the Secretary of the Interior, and the polar bears under my protection as Secretary of Commerce."

That observation fairly characterizes the administrative system of the national government to-day. What was true a decade ago of the symbolic bears also was true of the merchant marine, of veteran affairs, of engineering and construction, of education, of agricultural administration. Indeed, it turned out upon examination by a joint committee of Congress in 1923 that nowhere was any one function of the government centralized in a single administrative unit.

Summarizing his studies before the annual convention of the Chamber of Commerce of the United States at Cleveland, on May 21, 1925, Secretary Hoover listed fourteen agencies in nine different departments as engaged primarily in public works construction and engineering. Eight agencies in five departments were charged with the conservation of natural resources — forests, mineral deposits, power sites, and parks. Another group of fourteen scattered agencies in six departments administered merchant marine laws. Territories and dependencies were distributed among four bureaus in three departments. Public health activities were in four bureaus in two departments. The purchasing of supplies, which called for some $200,000,000 a year, was carried on through no less than forty agencies in Washington and thirty-four in other parts of the country.

Testifying before the War Policies Commission on March 6, 1931, Bernard M. Baruch, formerly Chairman of the War Industries



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Board, touched upon the waste and inefficiency of these multiple purchasing agencies during the war emergency. Frequently prices were sent skyrocketing by competitive bidding between two or more agencies of the same department.

> "The War Department alone maintained at first five and toward the end of the war eight separate procuring agencies. . . . The War Department still clings to its plan of multiple purchasing agencies. *They are prescribed by statute.* While, in the opinion of most industrial observers, the method is unnecessary, archaic, and costly, there has as yet been no change and it is probable that change will be difficult."

President Taft attempted heroically to uproot bureaucracy in its infancy, and every President since has recommended some degree of reform along this line. Congress, on the whole, cannot be bothered. In a special message to the House and Senate on January 17, 1912, Mr. Taft urged establishment of a select committee to promote efficiency and economy in the federal government. His diagnosis of the problem as it existed twenty years ago stands to-day, except that some fifty new bureaus, commissions, divisions, and boards since have been appended to the structure of 1912. Said Mr. Taft:

> "This vast organization never has been studied in detail as one piece of administrative mechanism. Never have the foundations been laid for a thorough consideration of the relations of all its parts. No comprehensive effort has been made to list its multifarious activities or to group them in such a way as to present a clear picture of what the government is doing. Never has there been a complete description of the agencies through which these activities are performed. At no time has the attempt been made to study all these activities and agencies with a view to the assignment of each activity to the agency best fitted for its performance, to the avoidance of duplication of plant and work, to the integration of all administrative agencies of the government, so far as may be practicable, into a unified organization for the most effective and economical dispatch of public business."

### The Bureaucratic Snowball

The impulse of unco-ordinated expansion in Washington is explained by the fact that each unit, even within the several major departments, is a distinct legal entity. Each was created by a particular act of Congress, which defined its functions and established its personnel. Year after year, each unit submits its separate budget estimate — and each departmental budget is handled by a separate sub-committee of the House Committee on Appropriations. True, there has been a degree of co-ordination during the last eleven years through the Bureau of the Budget, but here the authority to pare expenditures is limited to those items not specifically authorized by law in previous sessions of Congress. Had the Forty-third Congress, for example, created the position of assistant stenographer in the Bureau of Supplies and Accounts, Navy Department, that position remains until Congress specifically repeals the act of 1873. The Director of the Budget has no authority to strike out the appropriation for the salary involved.

Under these circumstances, growth is the universal rule, for Congress each year is so overwhelmed with demands for new services and functions that it never can do more than satisfy what appears at the moment to be the most pressing needs of the country — provided, always, that these needs are backed by sufficiently important blocs of organized votes. As President Taft emphasized in 1912, no Congress ever has paused in its appropriations hearings for a comprehensive survey of previously established functions.

There is nothing about the Bureau of Home Economics in the Department of Agriculture which characterizes that agency of government as a particularly striking example of bureaucratic expansion. As measured by the standards of government service, it is a highly efficient unit. It is administered by scientists of high standing. Yet the history of this agency offers a typical illustration of the growth process in Washington during the last quarter-century.

The first appropriation ever made by Congress for investigations in human nutrition was voted in 1893. In the Hatch Act of 1887 a fund of $10,000 had been provided for studies in "the composition and digestibility of different kinds of food for *domestic animals*." Six years later the Department of Agriculture's annual supply bill carried an additional $10,000 for research in *human* nutrition. From this latter appropriation we trace the development of the present Bureau of Home Economics. In 1895 the appropriation was increased to $15,000, and in 1900, to $17,500. The next year, the item carried $20,000. And by 1915 the experimental work in human nutrition had grown to be the Office of Home Economics with a staff of 71



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persons. At the end of 1915 the agency already had distributed 16,306,800 bulletins. In the 13 years prior to 1910 only 60 bulletins were published; but in the next five years 72 new titles were added to Aunt Sammy's list. In 1919 the Office of Home Economics began the study of fuel conservation in the kitchen range, and soon afterward came elaborate studies in "Household Methods for Making Jellies," "Studies in Making Pastry," and "Cake Making."

With work of this magnitude before it the entire system of nutrition bureaucracy had far outgrown the status of mere Section in the Office of the Experiment Stations. By a special act of Congress it was re-established as the Bureau of Home Economics, a new independent entity in the Department of Agriculture. With more money, the Bureau at once launched into yet broader fields of aid to the housewife.

A recent official bibliography of B.H.E. publications lists more than 200 titles on food and nutrition. In the 22 years 1893–1915 only 132 titles were published, but in the 8 years 1923–30 the new titles were 161. Here are some of the bulletins now available through your Congressman:

*How to Dress for a Sun Bath*
*Where Sheets Wear Out*
*Principles of Window Curtaining*
*Reindeer Recipes*
*Rice Polishings as a Source of Vitamin B*
*Bringing Up Bobby*
*Children's Rompers*
*The Use of the Metric System in Nutrition*
*The Self-Help Bib*
*Washing Clothes: A Problem in Temperatures*
*A Study of the Time Spent in the Care of Babies*

Such are the fruits of the $10,000 appropriated in 1893 for federal research in human nutrition. Established as a full-fledged bureau in 1923, with an appropriation of $71,760 for the first fiscal year, the Bureau of Home Economics advanced to the select group of $100,000-a-year agencies about mid-term in the Coolidge era. The rate of expansion since that time is indicated by the following table of appropriations.

| Fiscal Year | Home Economics Budget |
|---|---|
| 1928 | $109,963 |
| 1929 | 137,281 |
| 1930 | 157,500 |
| 1931 | 207,700 |
| 1932 | 231,500 |
| 1933 | 233,600 |

This development is typical. It is not an extraordinary example. The detailed history of almost any of Washington's 241 federal agencies might be cited as a parallel.

When the urge toward bureaus and commissions became a national fetish in the period 1880–90 the civil rolls of the federal government carried, on the average, 166,690 names. What has happened since is indicated by the following tabulation from the United States Civil Service Commission:

| Year | Total Civil Employees |
|---|---|
| 1900 | 256,000 |
| 1910 | 378,000 |
| 1920 | 597,000 |
| 1930 | 609,000 |

On January 31, 1932, the Civil Service Classification Board reported to Congress that the civil rolls as of January 1 carried 732,460 names, and the military rolls 290,913.

No other institution in the world carries anything like a million names on the monthly payroll. At salaries fixed in the then effective law, the annual civil payroll for the fiscal year 1932 was $1,055,970,636. Adding the military pay of $259,719,830 for officers and enlisted men in the Army, Navy, and Marine Corps, we arrive at the world's largest payroll — $1,315,690,460 a year!

These figures, of course, do not include current expenditures of $230,000,000 a year to 463,257 federal pensioners, nor $800,000,000 annually distributed to approximately 600,000 World War veterans.

### Where Does the Money Go?

In 1800, when the population of the United States was 5,300,000, the total federal budget was $11,000,000. In the next 50 years population multiplied by 4.4 and federal expenditures by 4.1. Between 1850 and 1900, however, population increased by 3.5 and expenditures multiplied by 13.9.

But even with the tremendous expansion of federal activities of the last quarter of the nineteenth century the budget for 1900 was only $621,395,000, or about $8.25 per capita. Between 1900 and 1930 the population of the country multiplied by 1.6 and federal expenditures by 6.1. Against a per capita burden of $8.25 for federal operations in 1900, the 1932 budget called for approximately $32.00. Treasury actuaries acknowledged in the course of



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hearings on the emergency tax legislation in the last session of Congress that further demands by the federal government upon the resources of the people must threaten the economic foundation of the nation. Uncle Sam's $4,000,000,000 ordinary budget for the fiscal year 1933 sapped slightly more than 8 per cent of the national income.

Where did the money go?

Four items account for 71 per cent of the total, as follows:

| | |
|---|---|
| Veterans | $1,000,000,000 |
| Army and Navy | 690,000,000 |
| Interest | 640,000,000 |
| Debt retirement | 500,000,000 |
| | $2,830,000,000 |

There remains, then, only $1,170,000,000 for all the other functions — legislative, executive, judicial, and public works. Allocated on the basis of functions, regardless of the distribution by departments, this balance divided as follows:

| | |
|---|---|
| *Public works | $462,000,000 |
| Judicial, law enforcement, and regulatory functions | 101,300,000 |
| Fiscal administration and control of banking and currency | 78,782,000 |
| **Service agencies to the departments | 37,797,000 |
| Foreign relations | 15,146,000 |
| Legislative | 11,500,000 |
| Executive Offices | 429,000 |
| Territories and dependencies | 4,473,000 |
| Civil Pensions and allowances | 20,850,000 |
| Public Health | 20,820,000 |
| Education | 16,136,000 |
| Indian affairs | 23,084,000 |
| Conservation of natural resources | 38,915,000 |
| Aids to agriculture | 73,476,000 |
| Aids to labor | 7,611,000 |
| Aids to aviation | 28,650,000 |
| Aids to industry and trade | 15,332,000 |
| Aids to merchant marine | 102,623,000 |
| Census | 2,637,000 |
| District of Columbia | 45,000,000 |
| Tax refunds | 64,000,000 |

In the two tables above all the expenditures are specifically directed by various acts of Congress and are wholly beyond the power of the administrative branch to curtail, excepting parts of those for judicial, law enforcement, and regulatory functions, fiscal administration and control of banking and currency, foreign relations, and executive offices. Reductions in all other items are made only by special legislation. In matters of administrative economy the authority of the President and the department heads is limited to considerably less than 10 per cent of the total budget.

* *Exclusive of emergency construction under various relief acts of July 1932, and of purely military and naval construction.*

** *Civil Service Commission, Government Printing Office, Bureau of Efficiency, etc.*

### Congress Runs Wild

THE GENERAL disposition in Congress, even in times of extreme economic distress, to add new functions to the federal establishment is indicated by an analysis of the money bills introduced in the first weeks of the last session. Between December 7 and December 20, 1931, members of the House and Senate introduced bills calling for special appropriations aggregating $29,000,000,000 over and above the $4,000,000,000 budget for 1933.

Senator Kenneth D. McKellar, of Tennessee, established during this two weeks a new all-time record for the aggregate of appropriations sought by one member. His measures in the Senate called for slightly more than $900,000,000 in specific appropriations and some $104,000,000 in authorizations to be paid for by subsequent appropriations. One of his measures called for $250,000,000 for expansion of the veterans' service. Another sought $60,000,000 for more liberal insurance policies for the veterans. An omnibus post office bill asked for $300,000,000. In addition, Senator McKellar sought $150,000,000 for a canal across Nicaragua and $100,000,000 for aids to agriculture. Never before in American history had appropriation bills aggregating more than a *billion* dollars been thrown into the legislative hopper by one member in one calendar month.

A close second to Senator McKellar was his colleague from Wisconsin, Mr. LaFollette. His bills for the two weeks sought appropriations of $750,000,000, to be spread over some ten years. In the House wing of the Capitol Representative Lankford, of Virginia, carried off first honors for the month with bills seeking $501,000,000. Other leaders in the demand for new federal expenditures in the seven-month session were:

| | |
|---|---|
| Senator Brookhart (Iowa) | $3,500,000,000 |
| Senator Shipstead (Minn.) | 500,000,000 |
| Representative Holaday (Ill.) | 5,000,000,000 |
| Representative Connery (Mass.) | 3,060,000,000 |
| Senator Bankhead (Ala.) | 258,000,000 |
| Representative Patman (Tex.) | 2,500,000,000 |
| Representative Crail (Calif.) | 208,000,000 |



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The acute financial panic which developed early in 1932 prevented the serious consideration of most of these fantastic bills, but it did not deter the House from passing the Patman $2,000,000,000 bonus bill in June and the Garner $1,000,000,000 public works bill in July. Both of these measures, however, were killed in the Senate. But the record of the session is a fair epitome of the spirit and temper of Congress in money matters under the existing system of federal fiscal management. It was wholly fortuitous that the economic disaster in which the country found itself prevented the enactment of some of these bills. With each bill would have come a new bureau, division, office, or commission. Bureaucracy would have marched on triumphantly.

### What Can the President Do?

In his first message to a regular session of Congress, on December 3, 1929, President Hoover recommended enactment of a thorough reorganization scheme. Several promising bills were introduced in the House, but only one ever got out of committee. This measure, effective July 21, 1930, consolidated the old Pension Bureau and the National Soldiers' Home with the Veterans' Bureau, at a saving of $12,500,000 a year in administrative expenses.

In the Lame Duck session of the Seventy-first Congress, which assembled in December, 1930, the matter of federal reorganization was entirely neglected, despite a recommendation in the President's message substantially the same as that presented in 1929. Once more the subject was presented to Congress in the President's message of December 8, 1931. Since the expiration of the Seventy-first Congress, in March, 1931, the ever-increasing intensity of the world-wide business depression had focused public opinion upon the whole question of taxes and administrative economy. The rebellion against high taxes was at its height and economy in public affairs has become the ruling political slogan of the hour.

In his 1931 message, Mr. Hoover recommended specifically the consolidation of the widely scattered merchant marine activities and the creation of a public works administration to take over the now greatly expanded construction program of the various federal agencies, which was to require some $750,000,000 in the fiscal year 1933.

No action having been taken on this section of his annual message, President Hoover again directed public attention to the matter of reorganization through an official statement to the press on December 29, 1931.

Six weeks later, Congress again having ignored the suggestion for immediate action, the President sent up a special message outlining in detail a specific plan for reorganization of all those agencies concerned with public works, merchant marine, public health, agriculture, education, conservation, and personnel administration within the various departments. This special message was read in both Houses on February 17, 1932. Next day at his regular morning press conference, the Hon. John N. Garner, Speaker of the House, was asked what he thought of the President's plan.

"We thought he was going to recommend something definite," Mr. Garner responded, "but, Hell's bells! he only wants to create a lot more jobs."

Nevertheless, the House did appoint, on February 23, a select committee of seven members to present special legislation touching economies in federal administration. The committee was directed to report to the House before April 15.

On March 14, however, the so-called economy committee asked that it be granted an indefinite extension of time to report its recommendations. By a House vote of 258 to 115, the April 15 limit was removed.

No plan for reorganization yet having been reported in Congress, the President again forwarded a special message on the subject under date of April 4, 1932. In this he suggested immediate conferences between the House and Senate leaders and representatives of the executive branch for the purpose of framing "for action by the present Congress," a complete national program for economy.

This sequence of events between December 8 and April 10, 1932, already had demonstrated clearly to political observers in Washington that Mr. Hoover's determined efforts to realize effective reorganization had encountered the same obstacles which had frustrated every other President in this direction since Mr. Taft: Congress will not itself bend down to a thoroughgoing reorganization, nor will it delegate to the executive branch the authority to do so.



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Still confronted by an overwhelming public demand for economies, however, the leaders of the House of Representatives did, on April 11, 1932, report a measure lopping approximately $225,000,000 from the 1933 budget. But on the floor of the House this bill finally was emasculated. When each of the numerous influential blocs and coalitions had rescued its favorite board or bureau from the economy list the total savings aggregated but $37,000,000.

In this shape the measure was passed and sent to the Senate. There it kicked around in committee for some two months. Reconstructed, it was at last reported favorably with economies aggregating approximately $200,000,000. Once again the project fell under the hot political cross-fire of a campaign year. Revised on the floor of the Senate, it finally was passed, late in June, as an amendment to the Legislative Appropriation Bill for 1933. Thus the great plan so vociferously embraced by all parties when first recommended by the President had at last gone the way of all reorganization flesh. It passed finally as a rider-amendment to an eleventh-hour appropriation bill.

But for obvious political reasons, the Democratic leaders in the House were unwilling to stand idly by and let the record show that the President's request for reorganization had been wholly rejected. To circumvent this unhappy consequence, the economy amendment extended authority to the Executive to effect certain transfers and reassignments of bureaus by Presidential proclamation. In the preamble to this section the astute legislators defined their reorganization policy with the precise words and phrases the President had used in the December recommendations. The joker did not appear until two pages later. After all the authority requested by the President apparently had been duly extended by a submissive Congress, the now famous Section 406 was added to the bill. It reads:

> "Whenever in carrying out the provisions of this title, the President concludes that any executive department or agency *created by statute* should be abolished and the functions thereof transferred to another executive department or agency, or eliminated entirely, the authority granted in this title shall not apply, and he shall report his conclusions to Congress with such recommendations as he may deem proper."

The point of this provision is, of course, that every agency of the government was originally *created by statute*. There is no other means in the world by which any governmental function can come into being.

As in the past, therefore, the 1932 effort at reorganization was effectively sidetracked on Capitol Hill. Congress would not consolidate, and it would not authorize the President to consolidate.

Technically, the President has authority, within the limitations of Section 406, to consolidate and transfer to his heart's content, by executive proclamation. But in no case shall any order be effective within sixty days of its presentation to Congress. If either branch of Congress disapproves, the order shall not prevail. The upshot of the 1932 effort, therefore, is that the matter of federal reorganization hangs where it has hung for the last quarter-century — in Congress.

On September 13, 1932, President Hoover instructed the Director of the Budget to prepare executive orders "for the reorganization of the whole structure of the federal government."

"These orders, covering the entire executive establishment, will be completed and presented to Congress immediately upon its convening in December," the White House announced.

But let no one forget that since 1912 no less than eight detailed plans for federal reorganization thus have been submitted to Congress.

And certainly there is nothing in American political history to suggest that the Lame Duck session of the Seventy-second Congress will see any valid reason for reducing the number of jobs available in the federal service. True, an indignant public opinion may force effective action by the House and Senate. But a Lame Duck in Congress has few idealistic illusions concerning the authority of public opinion — particularly when thousands upon thousands of patronage plums are at stake.



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# BOOKS

## *and the Strong Tide of Internationalism*

*by* **HENRY SEIDEL CANBY**

I READ with interest Mr. Henry Hazlitt's article in THE FORUM series upon current books (October issue), and pondered afterward upon the difficulty of assessing, as he tried to do, the absolute values of contemporary literature. It is true, or seems to be true, that, as he says, poetry in America is having its depression. It is true that the novels of Willa Cather, Thornton Wilder, and even Pearl Buck are slight in content beside the chunky masterpieces of the Victorians, and that the wordy assemblages of Dreiser lack direction and form. It is true that the violence of Hemingway and the blend of pity and sadism offered by William Faulkner may be just the sensationalism of decadence. But the fallacy in all attempts to declare the presence or absence of enduring literary monuments in 1931 or 1932 or 1933, lies in the date line. There was one year in the early 1800's when very little of enduring importance was published in English *belles lettres*, and another year close to it which glitters with medals like the breast of an ex-king on his way to a royal marriage.

Even if one is sure of one's estimate of definite merits or deficiencies in contemporary work (and let the too sure read as warning the first reviews, for example, of Burns's songs), it is dangerous to generalize about the absolute values of the present. We think of the present inevitably in terms of the immediate months, and every historian knows that present time has a way of seeming far longer than past time, and that it is hard to make a decade seem *now* to-day, as it is easy to think of ten years as *then* in the early nineteenth century. Our perspective in estimating our contemporaries is inevitably too narrow.

Furthermore, there is a relativity in absolute standards not sufficiently considered. The good in literature may be good for the generation which produces it, and of very little value for other generations. Or it may be good for many other generations, but these spaced in recurrent cycles with dips into deep disfavor and lifts to the top of appreciation (Pope and Chaucer are examples in English). Or, most rarely, the good stays good as long as the culture lasts. Operating as of to-day we can assess the first good easily, but the second and third can be guessed at only by the tricky evidence of past experience.

Hence in discussing, as I have been asked to do, the merits of new books just published and now being read, I am shy of all absolutes, negative or positive, and look rather for relativities — relative excellences for our own time. If *Shadows on the Rock* and *The Good Earth* are read one hundred years from now, the critical reader will be far better able than we are to tell how good they are for posterity, far less able to say why they seemed good to those for whom they were written.

Hence also, since this essay is not a review of books but a search for a general merit in a tiny wave of the long ocean of literature, I will limit myself to one achievement which seems to me the most interesting in the contemporary history of books, not saying that it is the only or the most notable achievement, nor that it



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places our literary efforts behind or ahead of *Pride and Prejudice* or *Candide*, or *The Idylls of the King*.

### Agents of Internationalism

We are suffering from one of those periods of violent nationalism which recur after every war. We are suffering more than we are profiting from it, because it has caught us on the up tide of an economic internationalism which was inevitable and apparently indispensable for an industrial civilization such as ours. Every popular newspaper here and in Europe and in Asia and South America has become more nationalistic in the last few years; every popular magazine in the United States reflects in its articles, and to a less extent in its fiction, the spirit which has led an American manufacturer and philanthropist to call himself an American Sinn Feiner — which means, I believe, "for ourselves alone." The vague and often meaningless phrases of an internationalism only imperfectly sensed, which were the commonplaces of every woman's club twelve years ago, have been shoved aside by specific and in no way meaningless remarks from the streets and farms that our own nest needs feathering, and if others foul theirs, that is their own lookout.

Where this, and the familiar accompanying phenomena of tariffs, armament, suspicion, and dislike, may lead is any man's guess. Yet it is not a guess that in spite of this throwback into sectionalism the world is nearer a cultural unity than was Europe in the Middle Ages; that it is immeasurably closer to economic and even social interdependence than ever before. The underlying forces which so often move counter to the conscious wills of man are unmistakably trending toward world solidarity, even though the many nationalisms, like squealing puppies hauled toward the tub, protest immersion. Perhaps they will upset the tub. It is no concern of climates, gold supplies, machinery, or the karma which follows war and revolution, whether the end result ruins or elevates man. They operate (like the pillaged gold of Peru and Mexico upon the life of Spain), and man fights either with or against them.

And since this moment of time seems clearly to be one of those rough spots on the ocean when the storms blow against a powerful current, it is useful, and perhaps indispensable, to keep alive the knowledge, and even more important, the feeling of world interdependence until the nationalistic winds blow themselves out, blow platitudes away, blow vigor perhaps into the nations (though it feels more like cantankerousness), blow themselves into whirlwinds or into silence. And this job is being done with quiet but extraordinary effectiveness by our current books, and may be their highest claim to social importance.

Newspapers, at best, accomplish this purpose superficially. I say at best, because notoriously only a handful of newspapers are edited for readers interested in the world, whereas the vast majority, like the provincial papers of France, seem unaware that there is a world outside the nation, or record only sensational world happenings, or are violently unsympathetic to all interests not essentially local. Popular magazines (an American specialty) are not particularly helpful. A recent advertisers' survey has shown how far down the scale of the interests to which they cater are all subjects (except fashions) not strictly national, unless romantic adventure be regarded as having international values, which in my sense it certainly has not since it is far more likely to mislead than to direct emotion.

Even the series of articles on subjects of international interest, such as the debts, or armament, or political opinion, which have been published recently in American magazines of the million or more circulation class, are not really helpful. They are, naturally enough, far more likely to be violently nationalistic than books which are written for a better informed circle, but, what is more damaging, they are far more likely to be thin, superficial, and geared to the emotional prejudices of the moment. A study of what happens to such articles when they are afterward printed in book form would show that with few exceptions they are drastically criticized by competent reviewers as being unsatisfactory in scope, and often unsound in content and misleading in argument. Such articles may be powerful in their momentary effect upon mass psychology, but not deep. The impression they make quickly disappears; it is not durable and therefore not, in the long run, important, as the impact of a real book (like Mills's or Darwin's, or to take a recent case, Keynes's *The Economic Consequences of the Peace*) is important. Such



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books make conversions among those able eventually to swing the opinion of others.

### Widening Horizons

It is in books that the strong tide of internationalism is best recorded. They seem, as one studies the lists, to have been very little affected by these scurries and flurries of supernationalism, although, as I shall note, they have been vigorously representative of nationalism in another of its aspects. I have no satisfactory statistics, but my own experience would lead me to guess that since the expansion of American interest in foreign ideas, which began in about the first decade of the twentieth century and was whirled outward and onward by the new motives created by war, there has been no diminution in the percentage of foreign books brought out in the United States, but rather the reverse, and no shrinkage, but probably an increase in the number of Americans reading them.*

A count of some fifty new books of sufficient importance to be exhibited in a book fair this fall, showed a third to be of foreign provenance, with five or six countries represented, while of the remaining two-thirds, half a dozen had foreign themes. If this had been a rigorous selection of the best books, or of the most successful books, the foreign percentage would probably have been higher.

Yet this showing is accompanied by no corresponding weakness in American titles. Whatever the verdict may be as to absolute excellence, there have certainly never been more vigorous American books alight with a healthy and passionate nationalism, never so many novels realistically depicting the newly discovered pageant of the American past, never so many plays, poems, and novels which could have sprung only from America, never so much and such varied American biography. The list of very recent titles below represents the vitality of nationalism and not its destructive prejudices:

*Earth Horizon*, by Mary Austin.
*The Three Jameses*, by C. Hartley Grattan.
*Grover Cleveland*, by Allan Nevins.
*The Life of Andrew Carnegie*, by Burton J. Hendrick.
*Sherman: Fighting Prophet*, by Lloyd Lewis.
*Peter Ashley*, by Du Bose Heyward.
*The Sheltered Life*, by Ellen Glasgow.
*God's Angry Man*, by Leonard Ehrlich.
*Our Times*, by Mark Sullivan.
*Mark Twain's America*, by Bernard De Voto.

Nationalism, so manifested, is always important, but even more important at this critical period, is the powerful continuance of international interest among people who read with their brains and not with their lips. And here books are the index. It is unnecessary to list English fiction, but it should be noted that there is not the slightest evidence that the sudden puffing up of American nationalism has affected the sales of Galsworthy, or Hugh Walpole, or Virginia Woolf, or prejudiced the reception of new British writers. The same holds true for British non-fiction. As for literature outside of our English tongue, it flows unabated. Heinrich Mann, Feuchtwanger, Werfel, Proust, Gide, Morand, the Dutch, the Scandinavians, Serbian, Italian, Spanish, and now the Japanese and Chinese, are at full tide, while the new fiction and social philosophy of Soviet Russia already fills a library corner. I note from recent lists, omitting all British titles:

*The Personal Memoirs of Joffre.*
*It Really Happened*, by Catherine, Princess Radziwill.
*A Princess in Exile*, by Grand Duchess Marie.
*Desire*, by Jean Fayard.
*Fabian*, by Erich Kästner.
*A Daughter of the Narikin*, by Etsu Inagaki Sugimoto.
*The Lady of the Boat*, by Lady Murasaki.
*The Burning Bush*, by Sigrid Undset.
*Magnificat*, by René Bazin.
*The Pascarella Family*, by Franz Werfel.
*Josephus*, by Lion Feuchtwanger.
*Young Woman of 1914*, by Arnold Zweig.
*History of the Russian Revolution*, by Leon Trotzky.

This list is quantitative rather than qualitative, but it indicates what is happening in a brief moment of American publishing time.

Quite as significant are the books which have foreign themes, and represent a conscious attempt to stretch the imagination beyond national boundaries. I note on the tables of new books:

*Sons*, by Pearl Buck (of China).
*South American Meditations*, by Count Hermann Keyserling.
*Death in the Afternoon*, by Ernest Hemingway (of Spain).
*Van Loon's Geography* (of the World).
*The Journey Inward*, by Kurt Heuser (of Africa).
*Sad Indian*, by Thames Williamson (of Mexico).

*An exception might have to be made for English fiction, which had a greater percentage of American readers in the nineteenth century than now.



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*The Fountain*, by Charles Morgan (of the Dutch, in part).
*Peking Picnic*, by Ann Bridge (of China).
*Night Flight*, by Antoine de St. Exupéry (of the Argentine).
*Bloody Years*, by F. Yeats-Brown (of the Turk, in part).
*Tiger Man*, by Julian Duguid (of Brazil).
*Porfirio Diaz*, by Carleton Beals (of Mexico).

Most interesting of all for the argument I am advancing is the extraordinary number of books specifically upon the problems of internationalism, a number that steadily increases. This began with the war, and in 1931, or even in the hard times of 1932, it is certain that more books were published in the United States dealing with the economics and politics especially, but also with the sociology and psychology, of international society, than in any decade of the nineteenth century. Many of these books are by Americans, many by foreigners, but all come to our market, and Salter and Ortega y Gasset are read with as much willingness as Chase or Lippmann. From Russia, and about Russia alone, a flock of titles descends almost monthly upon our shelves. Only a tiny percentage of these books are in tone narrowly nationalistic, and more of these, I should say, by Russian Communists than by Americans or Western Europeans. From the most recent lists I select as examples:

*Interpretations*, by Walter Lippmann.
*Leisure in the Modern World*, by C. Deslisle Burns.
*The Natural Sciences*, by Bernhard Bavink.
*Red Russia*, by Theodor Seibert.
*Problems of the Pacific*. Edited by Bruno Lasker.
*The Discovery of Europe*, by Paul Cohen-Portheim.
*Nationalism and Imperialism in the Hither East*, by Hans Kohn.
*The Birth of the Nations*, by Valeriu Marcu.
*The Revolt of the Masses*, by José Ortega y Gasset.

Now you can no more disregard interest in world economics, world politics, and world philosophy, such as these books represent, than you can disregard, in the study of history, the passionate interest of the French intellectual of the eighteenth century in Rousseau and the works of English liberalism. I do not prophesy any specific result for us from this high tension charge of internationalism: I merely note that these foreign and international ideas are chiefly carried on the live wires of books.

This is a depressed book season with restricted lists. I should like to note, however, by way of summary, the statistics of the November 12th issue of *The Saturday Review of Literature*. In that number there was a review or a mention of twenty foreign books — English, Canadian, Greek, Jewish, French, Russian, Dutch, Chinese, Hindu, all translated into English. I have drawn no citations from foreign letters or from other comment on books not in English or not published here. Nor have I included reprints of famous classics.

## "The Good Earth" and "The Fountain"

But equally significant is the power with which foreign cultures and foreign themes have grasped the American imagination at a time when our Sinn Feiners would turn all our sympathies inward. I will mention only two instances in quite recent literature, two books dissimilar in theme but alike in one factor of their appeal, both of which were sent out by a book club and so may be familiar to many readers. I refer to *The Good Earth*, by Pearl Buck, and *The Fountain*, by Charles Morgan, one American book, one English, and both widely successful in the United States. I happen to know that over the choice of each of these books the judging committee of the book club hesitated, because they thought the book of such specialized interest that they doubted whether the American public would receive it at its true value.

*The Fountain*, it is true, owes some of its success to its plot, and to its philosophy of mysticism (although its sponsors expected that to be a handicap); yet all the testimony I can collect goes to show that the vigor and interest with which its Dutch background and Dutch characters (so unfamiliar to American readers) are depicted have been important causes of its triumph. The American mind, amidst all the Sinn Feinism current, is just as actively interested in the humanism of other nations as before.

*The Good Earth*, of course, is an outstanding example for my argument. Here is a book about China which is definitely American. I mean that an American temperament saw, an American temperament interpreted, these scenes of struggle, love, and starvation, in a culture so alien to our own that only one of us could be an adequate interpreter. And I note that at a moment when a hundred newspapers and magazines are urging us to cut loose from



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the world and seek our own economic and cultural destiny, some 500,000 people (in all probability) have read an unromantic, highly documented story, or seen an undramatic play, of humanity in terms of China. This is assuredly significant — if not for our policies in the next Chinese imbroglio, then certainly for our relations with China over the next half century. For readers of *The Good Earth* or *Sons*, however quickly they may forget a magazine article, will never see accounts of flood, starvation, banditry, and war lordism, or hear the Chinese described as alien to us in all things importantly human, and still believe that all this concerns dwellers on the farther side of the moon.

I submit that I am by temperament the kind of person to argue this matter fairly. Ever since I discovered American history and American literature (and this was not in college), I have been an eager student and a passionate reader of everything that dealt with the American background. My American nationalism, in so far as it is American and not just nationalism, is as strong as any Sinn Feiner's. And of what I have been able to write in the last fifteen years at least two thirds has been devoted to problems of American criticism and American social and literary history. I am neither a Federalist who believes that the best in us is that which is most English, nor the kind of an internationalist that despises what comes from the native soil. I believe with all my heart that the best internationalism is made up of nationalisms, and that the best nationalism is sure of its own sources, rich in its own inspirations, yet intensely aware of cultures essentially similar yet vitally different (this is no paradox) from its own, and eager to be a part of a world society.

And I think it interesting and significant that the best channel for such a national-internationalism has been through books, and that this channel has been kept open while other mediums have clogged with prejudice and propaganda. The gentry of the screen and the radio and even the daily papers may affect to despise a conduit which leads at the most to some millions out of our hundred and twenty millions. But such an opinion is fallacious in the extreme. The ideas fed to the masses are fed to their leaders first, and usually in books.

## *Joseph to Mary*

*MARY, beloved, if I wounded you*
*With clumsy silence, or with tardy speech,*
*It was because my heart was slow to reach*
*Beyond the limits of its mortal view!*
*Not that I doubted you, or loved you less,*
*But it was hard to face the winking town,*
*And a man's pride is difficult to down,*
*Whatever faith he may in truth profess!*

*How many nights I watched you as you lay*
*With this the Holy Child upon your breast—*
*What anguish shook my heart from day to day!*
*Oh little Mary, have you never guessed*
*That I, who would have died to spare you harm,*
*So feared to clasp you with an earthly arm?*

## *Mary to Joseph*

*THIS fear has sat within me, chilled and numbing—*
*This dread has been upon me, from the start,*
*Since first I told you of the Angel's coming,*
*And of the Child that lay beneath my heart.*

*It was no easy thing to understand,*
*And not by word or deed have you reproved me—*
*But Joseph — Joseph — when you took my hand,*
*Did you believe me, even as you loved me?*

**— *Sara Henderson Hay***



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# Confidence in Whom?

*by* **ELMER DAVIS**

WHATEVER the shortcomings of the late presidential campaign, it brought us at least this benefit — while it was going on, nobody told us that nothing was wrong with the country but lack of confidence. The Democrats had to say that the chief thing wrong with the country was the Republican administration; and the Republicans had to paint a horrid picture of the perils from which we had been saved by the administration's energy and foresight. For a few weeks last autumn, even our great men were willing to admit that something had really happened to the country after all.

But for nearly three years before that we had been told that everything would come out all right if we only had faith; and now that the election is over we may hear that song again. Any psychiatrist will tell you that confidence and optimism make for health, that doubt and despair only give you more troubles to despair about. But these qualities do not exist in a void, except when they are a mere reflection of the state of your stomach or your ductless glands. Confidence, explicitly or implicitly, is confidence in something or somebody; and sooner or later it must meet the objective test. The country was full of confidence in 1928 and 1929 — confidence in everything; and in the long run that certainly did not make for health.

Recalling those happy days, one is tempted to feel that nothing is right with the country at present but lack of confidence. As Will Rogers says, the depression has "done away with the smart man," and pretty nearly everybody knows it. The one great compensation we have got out of our trouble is loss of faith.

But will it endure? Lately the nation has been in a healthily skeptical mood; but if the faint improvement in business shown in the fall really marks the beginning of recovery, we may soon be called on to show whether the human race can really learn anything from experience. Already the confidence boys are tuning up their wind instruments; the brief and abortive stock-market boom of last summer was a specimen of their work, and some of them are beginning even now to call on their salesmen to get back into the high pressure of the part. If we listen to those tom-tom thumpers and confidence shouters, we deserve anything that may happen to us.

For after a three years' deflation of the smart man, who is there in whom we can put our confidence? The leaders of industry and finance? They are about as thoroughly discredited as any set of false prophets in history, and most of them know it. The next boom, if it is like the booms of the past, will raise up a new crop of spectacular rich men; but are we going to be foolish enough to suppose that the mere fact that they have made big quick money proves that they know anything? I doubt it.

Confidence in the politicians? The mere suggestion is enough to make anybody laugh — anybody but the politicians, and even some of them came to realize this fall in what esteem their trade was held. People laughed when Mr. Coolidge commanded his successor in these glowing words: "Before we decide that we want to have a change we ought to determine what the chances are of securing any improvement." But Mr. Coolidge is a highly astute person, who knows what most of his fellow-citizens are thinking. It was the general testimony of political writers that the vote in the presidential election was chiefly a protest vote, no matter for whom it was cast; "Roosevelt has a great advantage," wrote Arthur Krock in *The New York Times*, "in that people do not expect much of him; but they no longer expect much of Hoover either." They voted against Hoover rather than for Roosevelt, against Roosevelt rather than for Hoover, against both of them rather than for Thomas. If the election laws had permitted the casting of a general



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negative vote, against everybody on the ticket, there would have been some danger that we should have had no President at all after March the next.

All through the year 1931 the country had resounded with anguished cries for leadership, but when the political conventions met this call that had resounded from Maine to California was inaudible inside of the Chicago stadium. The Republicans had to renominate Mr. Hoover, whose leadership, belated and inadequate as it was, was all the leadership they had; and the only Democrat who looked like a leader was damned in the eyes of politicians by his religion and the memory of a crushing defeat. So it will always be, while we permit that sort of politician to rule the country; and it may be that no other sort can get to the top under the present system. Are we to go on having confidence in men who care only about electing a candidate, not how he may behave after he is elected — whose ethical sense is shown by the desperate efforts made by men of both parties to get on the winning side in the prohibition issue, whatever that side may turn out to be? Obviously we are not. We may have to put up with them because we do not know how to get rid of them; but all the evidence this fall indicates that the general public has no more confidence in politicians, as such, than it has in bankers.

No other group seems to have inherited the confidence that politicians and business once had, and have thrown away. Why not the experts — engineers, economists, technicians? I believe that as a group they deserve more confidence than any other section of the population, but this is a minority opinion. The American people have never been much inclined to trust the expert; there still lingers a good deal of the pioneers' conviction that anybody can do anything about as well as anybody else. Moreover, the experts have also discredited themselves, though not so badly as the politicians, the manufacturers, and the bankers. The movement for national planning that was so much talked of in 1931 got nowhere; and one reason it got nowhere was that the experts who would have had to provide the plans so often disagreed.

And too many of them had been wrong in the fat years. The engineers will find it hard to claim that dispassionate objectivity is one of the professional traits, now that we have watched the behavior of an engineer in the White House; and a good many of the economists were among the drum beaters and snake dancers in the great prosperity hoorah. Few if any of them have a higher standing than E. R. A. Seligman; yet when Mr. Raskob, whose continued prosperity depended on the installment plan, induced him to make a scientific research into its soundness, Professor Seligman came back with a two-volume report to the effect that the installment plan was all right — provided you could take it or leave it alone.

The American people have seldom been able to do that, even with milder intoxicants; and a device that enables you to enjoy something before you have earned it is the strongest intoxicant ever invented. "Seligman Indorses Installment Plan" was the way the story was presented to the public; the prudent qualifications were generally overlooked.

But the call for confidence, as it has usually sounded in this country, means not only confidence in the man who is sounding the call but confidence in general; which is by implication faith in the American people, in the way we have always done things, in our manifest destiny. Ultimately it means (even if the man who sounds it never goes to church) faith in a deity who for obscure reasons of His own is going to take care of us, whether or not we use our brains to take care of ourselves. "Don't sell the United States short," our great men tell us; though they themselves are willing to make short sales of any of the component parts of the United States — steel, copper, motors, wheat — whenever they think they can make some money by it.

Well, I have faith in the American people — as much as in any other people. We lack the balance of the English, the hard-headedness of the French, the diligence of the Germans, the driving fanaticism of the Russians; but we have the qualities of our defects. Irrational as our optimism often is, it makes us keep on going where older and wiser nations might quit; and we might be able to keep that habit of going after what we want, even when we have learned to make a more realistic appraisal both of our objective and of our chances of attaining it. We seem as trustworthy as any of the larger nations; when we have been properly disciplined — and we are getting that discipline



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now — we can afford to put some confidence in ourselves. Especially if we put our confidence nowhere else; if we stop counting on luck (politely known as God's help) to compensate for our blunders, and get us out of the pit which we ourselves have digged.

"With the help of God," said Mr. Hoover in 1928, "we shall soon be in sight of the day when poverty shall be banished from this nation." When poverty was not exactly banished, Mr. Hoover did not dare to blame God; that might have alienated the church vote. With great ingenuity, he avoided blaming man also, at least on this continent; it was all the work of the wicked foreigner. But that was a campaign argument, probably not meant as a serious explanation. Further, said Mr. Hoover in 1928, "a change in national policies involves not only a choice between different roads by which we may go forward, but a question also as to whether we may not be taking the wrong road and moving backward." By an impressive majority the nation decided that we were on the right road; so we went forward with Hoover to panic, prostration, bank failures, government deficits, and twelve million unemployed. Yet as late as June, 1931, the President was painting a picture of the glorious things that would come to pass "if we just go on giving the American people a chance." A chance to do what? Why, to go ahead on the same old road that leads periodically to the bread line.

Even the President, within three months, saw that this would not do. His program of last winter, though far from adequate, was necessary and useful so far as it went; and it was a complete contradiction of all that he had said, and still went on saying. That whole doctrine — rugged individualism, don't sell the United States short, go on giving the American people a chance — was plausible enough in the days when we still had a tremendously rich continent ready for exploitation, when a man who found himself cramped at home could always go West and be as ruggedly individual as he chose. But now that the frontier is gone and the Golden West has run head first into the law of diminishing returns, that old formula will not work; and even Mr. Hoover recognized that it would not work in practice even though he clung to the theory as a sentimental appeal that might still catch some votes. When a politician committed to a doctrine shows that he has learned something, you can be pretty sure that millions of voters have learned it too.

So I would not sell the United States short — not yet. We have still a great deal of natural wealth; we have the greatest industrial plant in the world, and at least some vague notions as to how it could be intelligently employed; we have 120,000,000 people who, with all their faults, probably average about as high in intelligence as any other 120,000,000 people inhabiting contiguous territory and accustomed to a single government. We have been looking for a Moses to lead us out of the wilderness, and have not found him; we may never find him so long as we permit peanut politicians to stand in the way. But at least we have got pretty thoroughly fed up with Aaron and the Golden Calf.

Intellectually, the fruits of the past three years have been mostly negative; but you have got to clear the ground before you can build anything, and the building site on which we may still erect a nation fit to live in had got cluttered up with an astonishing amount of intellectual and emotional rubbish. Most of that is gone now, and as yet we have piled no other rubbish in its place. Only the more hysterical of the "intellectuals" have gone in for the complete abnegation of the intellect implied in submission to the Communist faith; the bulk of the country remains soundly and healthily skeptical. Skeptical of its political leaders, even though it may have to vote for one or another of them because there is nobody else to vote for; skeptical of easy formulas that promise the answer to everything. We are going to have to try to use our brains affirmatively, constructively; but first we must thoroughly get rid of the blind faith that because we are Americans we shall get more than we deserve. Just at present "Oh yeah?" "Is that so?" and "Says you!" are safer mottoes for this country than "In God we trust."

But the test will come when business recovers, when the unemployed go back to work and it is once again possible to get rich on the stock market. If we forget our lesson then, if we go back to the old ways and have faith in the same old medicine men — or in new figures like them — why, then I would sell my share of the United States short for anything I could get, and would try to escape to a desert island before the purchaser came gunning for me.



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# We Americans

## *II—Peabody, Rugged Individualist*

*by* **TOM JONES PARRY**

I

When the new plant of the Peabody Candy Company was formally opened in August, 1929, the employees, with their families, and the industrial committee of the Chamber of Commerce, crowded into the plant's model white enameled cafeteria to do honor to the president, Samuel V. Peabody.

Miles Wendell, president of the Chamber of Commerce, spoke, standing on a bench at one end of the room, and when he concluded there were tears in Mr. Peabody's eyes.

"It is not alone to honor this splendid plant that we are assembled to-day," Mr. Wendell said, "but it is also to honor our fellow citizen and industrial leader, Samuel V. Peabody, who typifies what is best and finest in our American life: integrity, energy, public spiritedness, and rugged individualism."

He reached down and pulled Mr. Peabody up to the bench with him, and shook his hand, vigorously.

*Drawings by Donald McKay*

"Sam, old boy," he said, "we love you, and we're proud of you, and God bless you and yours!"

The crowd cheered and clapped and whistled, and Mr. Peabody had to take off his glasses and wipe them before he could see the mass of beaming, friendly faces before him. He felt warm inside, and his voice shook when he began to speak.

"Friends," he said, "I can't call you anything else but friends! I'm no orator, as I guess maybe you know, but I won't deny that this is the proudest day of my life. When good old Miles, and the boys from the Chamber, come down here to honor my humble efforts in the community, I tell you it gets right under the skin.

"As I guess maybe you know, I started this business in 1907, during the worst panic we ever had, with just sixty-five dollars capital, and one small room. In those days I did everything myself, and from that humble beginning I have grown into seventy-five employees. But let me say right here, they don't work for Peabody, they work with Peabody, and they've all got the Peabody ideal of 'pure and popular' confections in mind at all hours.

"And now I guess I'll quit, but first I'd kind of like to give you my credo, if I can call it such. What I mean is kind of a glimpse at what my ideals and ideas are, if you'll pardon me the time. Well, in the first place, I believe in looking ahead, and when I built this place I said to my architect, Chuck Bascom, and he's standing right over there and he'll bear me out in this, I said, 'Chuck, Peabody is going to grow, so when you design that new plant, you design it so's a wing and an extra floor can be put on it, because Peabody's not going to die for a few more years, and Peabody's business is going to grow' — am I right, Chuck?"

Everybody cheered and Chuck called out, "You bet you are, Sam, word for word!"

"And now for my credo," continued Mr. Peabody. "I can't put it in the eloquent language Miles here can, but my idea is this, and



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I work from facts and statistics and not theories, and that is that any man that thinks clearly and shoots square with his fellow man, and acts aggressive in accordance with sound fundamentals and conservatism, is limited only by his own ability, in this country, as to how far and high he can go. Well, I've been longer than I expected, but to put it in a word, my credo is that God honors the man who acts dynamically."

There was more cheering as he got down from the bench, and everybody crowded around and shook hands with him and congratulated him. Ted Caspar, cashier of the State Bank and Trust, was among them, and when he shook hands, Peabody nudged him in the ribs. "I suppose you'll tell at the bank, look out for Sam Peabody, he's all swoll up and we better watch his notes, eh Ted!" and Caspar said, "We got a whole bank full of money we'd like to loan to you, Sam, even if you are shaky," and they both laughed heartily, and continued to shake hands. "It's a swell world and these are the best fellows on earth," thought Sam, his glasses dimming again.

## II

"THIS is no time for muddled thinking," said Peabody to himself, after the market crashed in October, 1929. He called Nettie Middleton, his secretary, from her desk in the outer office, into his glass-enclosed room.

"This is to all the salesmen," he said. "Some of the boys are letting down 'cause they've got a fool notion we're going to have a panic, and I'm going to get that idea out of their heads right now!"

Miss Middleton bent her sleek head over her notebook and took his dictation. She had a subtle fragrance, and he found his mind wandering as he dictated, and he had to shake himself to be as dynamic as he wanted to be. He sometimes almost wished she worked for somebody else. "Bad stuff," he told himself, "stepping your own stenographer." All the men spoke to him about her. "You sure know how to pick 'em, Sam," they said.

After he'd made it clear to the salesmen that the country was sound, he dismissed Miss Middleton, and wrote a letter to his mother. She was still living on the old farm in Indiana, and he had a picture of her on his desk. "I want you to come and visit us, Mother," he wrote. "You never have seen Elaine and my three children, and I want you to see my new plant and the way I keep it humming. It'll make you proud of your little Sammy."

Early in December, Sam was slightly worried. He wasn't satisfied with the volume; it was running about even with last year, but it ought to be more with the new plant and all. Joe Keiter came in to get an order for cellophane, and Sam told him to wait awhile. "I won't order a thing until I've thought this situation through and analyzed everything," he said.

That noon he went to the Chamber of Commerce to hear Miles Wendell talk on the business outlook. Miles had a dry, drawling way of speaking and there was no nonsense to him, just good, hard thinking with the best kind of humor thrown in. "I don't claim to be any university professor," he said, "and what I say to you is just plain sidewalk economics, gleaned from practical, first-hand observation of life. And I say to you that while there's been a lot of squealing over paper losses, and a whole lot of the weak sisters are wobbling in the knees, this country is sound as a dollar, and in another two months you'll all laugh at this little flurry."

Peabody was greatly impressed. "Fine talk, that!" Carl Hanson called to him as they were getting their hats in the hall, and Peabody said, "Oh, Miles is sound, he thinks straight!" When he got back to his office he phoned Keiter and placed an order. "I've analyzed this situation, Joe," he told him, "and there's no cause for alarm." On the other end of the wire, Keiter said, "Ain't that what I told you this morning, Mr. Peabody?"

But at dinner that night he was irritated, and had all he could do to be polite. Sally Jo had her boy friend, David Sander, in. He was a thin, hawklike chap with a mop of black hair and fierce, burning eyes. He read the damnedest stuff, and talked about Russia and Socialism and Communism with Bob, Peabody's son. "We're seeing the breakdown of the capitalistic system right now!" he said once. Peabody was annoyed — the young brat had no respect at all for his elders and monopolized the conversation. Aloud, all he said was, "You young fellows think you can change human nature, but you can't."

Later he took Bob to one side. "Don't let



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this Bolshevik put any nonsense into your head, son," he said, and when Bob said, "Why, Dad, Dave's got one of the most brilliant minds in the university," Peabody snapped back at him, "As if that meant a damn thing! You wait till you get out in the practical world and you'll find things are run by hard facts and statistics, and not by muddled theorists!"

About ten o'clock, when he was reading *Nation's Business* (sound fellow, this Thorpe) Flora, his youngest, came in with a bunch of girls from St. Nicholas Academy, and they turned on the radio and chattered and giggled. He laid down his magazine with a sigh, and looked at them. By George, they were fresh and pretty in that room with its soft lights and warm colorings. Elaine, his wife, chatted with them, and he was proud of her, she was so slender and aristocratic looking. He remembered how he'd struggled to win her — all the fellows wanted her, but he got what he went after. He wished she had a little more pep, though — she wouldn't stand for liquor in the house, and it cramped his style a little when he entertained his friends.

Peabody was a director of the National Confectioners' Association, and that made him chairman of his local zone. There was beginning to be price-cutting in the industry, so he gave Miss Middleton a letter calling a zone meeting. "The way to solve our mutual problems is by putting our feet under a common table and talking things over and analyzing everything," he dictated. "There's nothing like Tom, Dick, and Harry getting together with a good cigar, and finding out they're all brothers under the skin, and all got goals in common."

At the meeting, Ed O'Connell had some good stories, and it was late when they got down to business. The Purity Candy Company was cutting prices on jelly beans and bar goods, O'Connell charged, but Nick Poletti denied it, point blank. Ed O'Connell shook his fist at Nick, he got so sore. "Why, damn it, Nick, I seen the invoice with my own eyes, and it said less ten and five!" but Nick only said, "I ain't cut no prices." Peabody tapped his water glass with his knife. "Here, here, boys," he said, "Nick wants to be ethical, and I know he'll cut out this unsound practice."

Back at his office he called in Dick Folger, his cost accountant. "Run over our costs on bars, Dick," he requested. "It looks like there may be a price war. We won't start anything, but if it's necessary, by God, we'll finish it!" When Dick went out, Peabody looked over the statement Mr. Shuback, his auditor, had laid on his desk. He shook his head, dolefully. "Something's got to be done about this," he thought.

He felt curiously uneasy at his desk all afternoon, but when Ted Caspar phoned him to go play golf, he refused. He wanted to start something, but he didn't know just what, and the salesmen who came in to sell him irritated him. At five o'clock he was still sitting at his desk looking out the window, and he saw Gil Turner, who worked in the chocolate room, honk the horn of his Ford, and Nettie Middleton pull on her smart little turban, and run out, and get in the seat with him, sitting closer than was necessary.

Peabody grunted, "Damn shame for a girl like that to throw herself away on a chap with no future." He wished he could take her to some quiet place and have dinner with her. The girl had possibilities, he felt, and he would like to talk with her, informally and friendly-like, and put her wise to the world, and give her some tips on culture. He believed in the sanctity of the home, but he did think a man could marry too young — women aged so much faster, and he still felt as young as he ever did.

## III

When the summer of 1930 came, Peabody debated whether he should hold the annual company picnic. Business was terrible, he wasn't even doing the volume of business in the new plant he used to do in the old one, and expenses were higher, and he had those infernal payments to meet at the bank. Hallam Clarke, a broker and one of Peabody's best friends, came in, and they talked the whole afternoon.

"What do you make of conditions, Hal?" Peabody asked.

Clarke laughed, and took a chart out of his pocket, and handed it to Sam. "There's the answer," he said. The chart had peaks and valleys showing the major booms and depressions since 1854. Peabody was fascinated.

Clarke explained it. "It all follows the inexorable laws of supply and demand, Sam. If you'll analyze it, you'll see we should be



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booming about the latter part of this year."

Peabody was pleased; it was good, sound statistical evidence. He told Hal he'd been figuring on calling off the annual picnic, and asked Hal what he thought. Hal laughed again. "Don't be such an ass," he said. "Why, it's got to be a custom with you — keep it going, man, carry on!"

When they had the picnic Mr. Peabody made a speech, standing in the band stand at Liberty Park. As he milled his way through the crowd to the stand he heard one woman say, "He's such a democratic man," and he glowed all over. When he got up to speak to them, he felt earnest and sincere.

"I'm just a plain man," he said, "and I don't claim to be one of these orators. But I guess you all know I mean what I say. Well, I just want to say, I'm going to see this thing through and keep this big, happy Peabody Candy Company family together. Maybe you folks have seen me sitting at my desk every day, and you've figured it pretty soft for me. Well, I tell you I just wish I could change places with one of you boys up there in the starch room, or maybe take your truck, Harry, and make the city deliveries. I tell you in all sincerity, friends, there's more to life than money, and a man in my position has a responsibility for the welfare of his employees and their families that he can't shirk. And so, when you see me just sitting at my desk, you just figure, Peabody's thinking, Peabody's keeping this payroll going — and you can just go at your work harder than ever, knowing that the Peabody Candy Company ship has got old Captain Peabody at the helm, and even if the seas do get rough old Captain Peabody won't get seasick nor desert the ship, but just stay there calm, and think things through."

When he came down from the stand the employees crowded around him, and shook his hand, and congratulated him. "That was good stuff, Mr. Peabody." "Believe me, I always say to my wife, you can't work at a better place than Peabody's." Even Mrs. Peabody was pleased. "Why, you were positively eloquent, Sam!" she said.

Mr. Peabody felt alive with energy.

"Hey, all you folkses," he shouted, "you've heard enough from an old windjammer like me. Let's start the races and games. Come on, you kiddies, just follow your old Uncle Sammy," and he ran to the play field, picking up a pretty little girl and carrying her on his shoulder as he did so. "Ain't he just great!" said one woman, but Harry, the truck driver, said to Jack Folsom, "I'd like to change jobs and salaries with the old buzzard."

## IV

In September there was nothing to do but to slash expenses and reduce the payroll. Mac Cummings, Peabody's advertising agent, fought bitterly against cancelling the complete advertising schedule. "Do you want your public to forget the Peabody name?" he asked. "Do you want your business to wither under the destructive power of silence?" Peabody compromised on a half schedule.

Everyone in the office took a cut and a five-day week was instituted. In the factory thirty employees had to be laid off. Mr. Peabody went over the list with Gus Imhoff, the factory superintendent. "We want to confine it to those without dependents, as nearly as possible," he said. When he saw Gil Turner's name among those slated to go, he protested. "Gil's a better man in the chocolate room than Pete, isn't he, Gus?" Gus said he was, but Pete had four children, and Mr. Peabody checked off Gil's name.

He felt so blue and low, he went home, and phoned the office he wouldn't be back. Nobody was home except Alma, the maid, and so he sat in the kitchen, and talked with her.



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"Business is terrible, Alma," he said, "and it takes all the fight I've got to keep up with expenses." Alma said yas, she vas sick herself, and her mother vas suffering so dretful, and the doctor's bills vas so high, and her vages vas so low — and she ran on about her troubles so that Mr. Peabody couldn't get a word in edgeways. When he could he escaped, and went up to his room, and lay down on the bed.

There were some magazines he'd brought home from the office on the table by his side, *Forbes*, *Confectioner's World*, and *Factory and Industrial Management*. He reached for them and looked at the tables of contents. "I want to see how the leaders of thought in this country analyze the situation," he told himself.

He read two of the articles, and as he went down to dinner he felt better. The family was all present to-night, but his face fell when he saw that David Sander was there, too. During dinner Sander was quiet, however, and when he did talk he was so decent that Mr. Peabody was quite pleased with him. "He is toning down a bit," he thought. When they were having dessert, Mr. Peabody made a few remarks on the future progress of the country.

"A lot of folks have got panicky, but things are working out now — these industrial conferences the President is holding will put things right. The old U. S. A. has got some pretty sound heads at Washington — Hoover and Mellon —"

When Peabody said Mellon, Sander snorted — and Mr. Peabody shot right back at him, "I suppose you think Mellon's no good," and when Sander said that *was* his opinion, Mr. Peabody pounded his fist on the table, and roared, "Let me tell you, young man, that he's the greatest secretary of the treasury since Alexander Hamilton!" and Sander yelled back at Mr. Peabody, "How do you know? I'll bet you can't even name two secretaries between Hamilton and Mellon!"

Mr. Peabody turned purple, and he rose to his feet, slammed his napkin on the table, and strode to the door. When he got there he turned, and he yelled so loud that Elaine cried, "Sam, Sam!"

"I tell you all this Red radicalism they're teaching in these damn universities is spoiling the young whippersnappers they turn out. They're a bunch of Socialistic softies that don't recognize the rights of capital and private property. I tell you, I was raised on a farm, and I worked like hell, and I never asked a favor from no one, and by God, the system that produces men like Mellon and Ford, and, yes, by George, men like me, if you want to know it, is the system that made America what it is!"

Sander was on his feet, too, screaming, "You're right, it is your damn system that made America what it is to-day, and look at it now!" but Mr. Peabody stormed out and went to his room, slamming the door so hard it shook the house.

## V

At first Mr. Peabody had always replied, "Fine!" to anyone who asked, "How's business?" — but he began to get such queer looks that he finally quit trying to appear optimistic. At the Rainier Club the men he lunched with were all pessimistic, and one afternoon four of them sat until four o'clock talking over conditions. When Mr. Peabody returned to his office there had been only one phone call for him, and not a soul came in during the remainder of the day to see him or to sell him anything. He felt frightened.

Price-cutting was becoming vicious. The Purity Candy Company had cut bar goods and chocolates below actual cost. "That damn fool Nick Poletti will do anything to get volume," thought Mr. Peabody. Gil Turner, who used to work in the chocolate room, had started a little factory of his own, and he was cutting prices, too, and this infuriated Mr. Peabody. "A young whippersnapper like him has got no business disrupting the industry," he said at the Confectioners' meeting. "He's just a bedroom candy operator, and he's got no capital. Why, everything he knows about the candy business, he learned in our plant."

Gil continued to call for Nettie Middleton after work, and Mr. Peabody thought that was mighty poor taste on the part of both of them. Promptly at five, Nettie usually went into the rest room, and when she came out she had too much rouge and powder on, but she certainly was stunning. As she went out the door she sometimes flashed a smile at Mr. Peabody, and then ran to meet Gil.

Gil had made a delivery car out of his Ford; it was painted cream color, and had a gold leaf sign on it, "Gil's Goodies — Confections



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Supreme." Mr. Peabody didn't feel it was loyal of Nettie to ride around in a competitor's car that way, sitting so close to him, as she always did.

The State Bank and Trust began to be pressing on the Peabody notes. "You're not reducing them the way you should, Sam," Ted Caspar told him, "and you better put up some more collateral, your securities have shrunk like the devil. You shouldn't have expanded at the time you did."

Mr. Peabody glared at him.

"Why, damn you, Ted Caspar, you know you and your crowd was after me to build that new plant of mine so's you could loan me the money. As for those notes, you know I can't reduce 'em, and as far as my collateral is concerned, I bought every damn one of those stocks and bonds on the recommendation of your securities department, and you know it!"

"Now, Sam, Sam!" Caspar said, "you know we've got to conduct this bank in accordance with sound principles, and in the interest of all our depositors. Your statements don't look so good now, and you'll just have to figure out a way to reduce your notes. I hate like the devil to press you, but you know I can't let personal friendship interfere with sound banking practice. You figure out what you can do."

For a week Peabody did figure, filling scratch pad after scratch pad with additions and subtractions and divisions, and talking long and earnestly with Mr. Shubach — but it got him nowhere. When Saturday came and his son, Bob, phoned him saying, "I've got an extra ticket for the football game — come on and go with me, Dad," he shoved his papers into his roll-top desk and slammed it down. "I'll forget about business until Monday," he told himself.

At the office on next Monday, he felt licked. The company was bound to be in the red for 1930 — the first time in Peabody history. He hated to talk to Caspar and the men at the bank, but there was no other way. "I wonder why Hoover doesn't do something about conditions," he thought.

## VI

Nineteen thirty-one was a nightmare for Peabody. Volume was down fifty per cent, prices were so low there wasn't any profit in what business he did do, and collections were terrible. He cut his own salary in half, and scoured the plant for ways to economize. He dismissed the garden service that kept the green patch about the model plant, and he had the window washers come once a month instead of weekly. He eliminated three telephones, and the merchant's towel supply service. He cut salaries and wages to the bone — "till I'm ashamed to look the employees in the face," he told himself.

But the bank wasn't satisfied.

"We hate to do this, Sam," said Ted Caspar, "but the directors feel we ought to send G. H. Pierce in to look over your business for a while. You've been slipping pretty fast, and we've got to protect our depositors."

Peabody didn't even protest. If this man Pierce could do anything more than he'd done himself — let him go to it.

Pierce proved to be a decent chap. "I can't see as you've left a thing undone in the way of economies, Mr. Peabody," he said. "The only thing I could suggest is that you put more pep in your selling efforts. I think you're lagging a little there. I'm going to tell the bank you're doing the best that can be done under the circumstances."

It gave Peabody a new lease on life to be at the helm once more. He went over the line carefully, eliminating the slow sellers, and improving the fast ones where he could. He had long conferences with Gus Imhoff on new goods, and with Mac Cummings, to get snappy names and packages for them.

When spring came he had the sample girl pack a case for him, and he took a swing around the territories, working with the salesmen. It was a gruelling trip, and he tired under it, but he never let down. He made it a point to be the first man up in the morning, and he always hammered on the salesman's door, and shouted jovially, "Let's go get 'em, Bill," or "Hank" or "Joe" — "It's the early bird that catches the worm."

He stopped at the salesmen's homes when it was practicable, and in the evenings took the wives and kiddies to the movies. Afterward he'd sit and talk over conditions with the salesman and his wife. "It's done me a world of good to be with your husband and see what he's up against," he would say. "A man's got a tough game to buck these days, and he needs all the support the little woman can give him."

One evening at home, when he was sitting



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alone in his library, David Sander came in, hesitatingly.

"Sally Joe and I are going to get married," he said. "We hope it's O.K. with you."

Peabody was startled — but he didn't show it.

"Sally's pretty young yet, but who she marries is her affair," he said, and he handed Sander a cigar. "Sit down, boy, and talk with me."

They talked far into the night. Sander had an assistant professorship at the University. "A mighty good job for these times," said Peabody. Finally the talk veered to economics.

"You and I have had some pretty hot rows, Dave," said Peabody, "but now that it's all in the family, tell me your ideas on conditions."

"Well, as I see it, Mr. Peabody," Sander said, "you American business men are open-minded on anything that will help your own businesses — new machinery, new packages, and new methods — but when it comes to thinking on broader social and economic terms, you've got closed minds. You wouldn't be satisfied with the plumbing or transportation George Washington had, but you try to fit the political economy of his day to the present. America has changed — the country's populated now, and we've got to come to economic co-operation and economic planning if we want to get out of our present muddle."

Mr. Peabody was impressed. "I think maybe there's something to what you say, Dave," he said. Later, when the engagement was announced, he told his friends, "Yes, Sally's getting a mighty keen boy — one of the best minds in the University."

Business continued to slump, however, do what he would. He tried everything he could think of to increase his own personal efficiency. He cut down on smoking and coffee, but he couldn't seem to get back the old zip.

One evening about five he pulled open a drawer in his roll-top, and sneaked out a flask, and put it into his pocket when no one was looking. Then he went to the men's lavatory, filling a pocket with peppermint lozenges as he passed the sample trays. When he got in the lavatory he locked the door, and took four good snifters out of his flask. Then he put a peppermint in his mouth, and winked at himself in the mirror above the wash bowl.

When he got back in his office, Nettie Middleton was filing his personal papers. It was after five o'clock, "But I like to have everything neat before I leave," she said.

Peabody stood smiling at her, understandingly. "She's a damn fine number," he thought, appreciatively. Her fragrance was in the air, and there was something appealingly feminine about her as she sorted his papers, every movement was so graceful. Peabody felt young, and masculine, and masterful — "mighty neat cut MacGregor got on this suit, too," he thought. Damn it all, he wasn't through with life yet. Maybe if he and Miss Middleton could have supper some place, and maybe dance a little, it'd be a vacation for him, and he could think things out a little clearer.

He broached the subject, gently, clearing his throat and gazing out the window as he did so.

"I kind of thought, Nettie," he said, "that maybe, seeing you're late to-night, that you and I might get in my little old Nashy, and run out to Willard's, and have a bite, and then I'd run you home, say about ten o'clock?"

She didn't say a word, and when he turned around to look at her, she had her head bent over, and she was holding her handkerchief to her face, and her shoulders were shaking. He took his hat off the costumer, and patted her on the shoulder. "There, there," he said, "I didn't mean to make you cry," and he walked out.



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When Gil Turner honked for her a few minutes later, she ran to him.

"Oh! Gil," she chortled, "get set for the best laugh ever!"

## VII

WHEN 1932 came the bank still rode Peabody for money, but he had become hardened. "We haven't got it, and what're you going to do about it?" he shot at Ted Caspar, when Caspar phoned him. He didn't stick so close to his desk now; there wasn't much to be gained if he did. It had been his custom to run over the orders every day, totaling them on his scratch pad, but he hadn't done that for a long time.

Nettie Middleton had quit. He was disturbed when she told him she was leaving, and he said, "Oh, I hope I didn't offend you that time, Miss Middleton?" Nettie assured him that he hadn't — she and Gil Turner were going to be married, that was why.

Peabody sent flowers to the wedding, and a few months later he called on Gil at his little factory. Nettie was at the typewriter making out invoices when he came in, and she greeted him warmly.

"Gil will be awfully glad to see you," she said, and she called out, "Oh, Gil, Mr. Peabody's here!"

Gil came out of the little room at the back, wiping his hands on a towel, and grinning. He had a white apron on, and his sleeves were rolled up, and he shook hands heartily with Mr. Peabody.

They sat down at Gil's little desk, and Gil gave Mr. Peabody a cigarette, and they talked. "Mighty glad to see you doing so well, Gil," Mr. Peabody said.

When they talked about conditions, Peabody said this depression was mighty serious.

"I tell you, Gil, we've got to learn how to co-operate in this country. Things are different now than they used to be, and we've got to plan out a new economic scheme of things."

Gil was surprised.

"Why, you talk like a Socialist, Mr. Peabody," he said. "Believe me, I don't think you can beat the American system. Look at me, for instance. When you had to lay a bunch of us off, most of the guys just lined up in the bread line. But what did I do? I just took the $150 I'd saved, and started out for myself. We been going through the worst panic in our history, but I been making — well, *you* wouldn't call it money, but I been doing better than I ever would at a job."

He looked to where Nettie was busily typing invoices.

"You take my wife," he said. "She had all kinds of swell guys after her, but I just beat their time by staying right on the job, Johnny at the rat hole.

"I tell you, Mr. Peabody, in this U. S. A. a guy gets what he goes after — and that's the best system on earth!"

Back at his own desk, Peabody found himself envying Gil a bit — young, and with the whole world before him, and a darn fine little woman, too. Mr. Shubach came in and laid a statement on his desk.

"Look here, Mr. Peabody," he said, "we show a five per cent increase this July over a year ago! I think things are looking up!"

Mr. Peabody drank in the statement with thirsty eyes, and called for the day's orders, totaling them rapidly on his scratch pad. "Why, darn it all! — there's enough business here to choke a horse!"

He called Miss Davis, his new stenographer. "Take a letter to all the salesmen," he said.

"And now that the worst of this depression is over," he concluded, "and you are showing the old Peabody Candy Company pep again, you can see there's no conditions so tough but what hard work and sound thinking won't beat them."

The postman came in and dropped some letters on his desk. He and Miss Davis sat at his table slitting them open, and he lit a cigar.

"Why here's one from my mother!" he cried, "she's coming at last to visit her little Sammy."

Miss Davis smiled, sympathetically.

"Mighty pretty girl!" Peabody thought. She had a different perfume from Nettie's, but it blended pleasantly with his Corona. Through the front door he saw Joe Keiter coming in. "Well, I can give Joe a little order for cellophane to-day, I guess." He felt dynamic. The plant would be humming pretty fair when his mother got here, and he'd get the lawn trimmed up nice, too. "Damn neat little item" — his eyes rested again on Miss Davis, with her curly blond head bent demurely over her notebook.

"I sure know how to pick them."



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# Blaming It on the Trust Company

*by* **HENRY A. SHINN**

THE Independent Order of Hoboes is possibly the only group which has been immune to losses in these bad times. While increased numbers have made this profession less dishonorable, it has become more difficult. Landlords, bankers, and peanut merchants have all seen their stock in trade slide down the scale of values like a runaway toboggan on an icy street. Now that we are at the bottom of the long incline, or somewhere near it, one of the party, Mr. Fred C. Kelly, who is interested in safety first devices, cries out in the October FORUM, "Can Trust Companies Be Trusted?" He contends that they cannot, since, as he believes, trust companies are not liable for the negligent acts of their agents, they are inefficient and guilty of shady practices.

These charges, if true, should be of grave concern to every one. It is estimated that every twenty-seven years the wealth of the nation passes through trust estates, either in the hands of executors, administrators, or trustees. For no one who has an estate, large or small, can escape the executor or administrator any more than he can the undertaker. The American Bankers' Association has learned through a recent nation-wide survey that in 1929 one thousand millionaires named trust companies as the executors of their wills and the trustees of their estates. Through the advertising efforts of banks and trust companies, which may as in other businesses over-rate their ability, tens of thousands of wills are now added annually to that rapidly increasing store of executed paper.

While billions of dollars of life savings are being placed in the hands of corporate fiduciaries, "*The Harvard Law Review* for May, 1930" declares Mr. Kelly, "cites authorities which show that any trust company will be exonerated for negligence of its agents and servants if due care has been used in selecting them and supervising them. Now the real joker in that rule is that a corporation can act only through its agents and servants." It seems that Mr. Kelly has missed the point in the authority to which he refers. Had he turned over to page 1145 of that article, he would have found its author putting this question: "To what extent is the modern trust company liable for the negligence or default of its employees? Such organizations are engaged in a highly lucrative business undertaking. Diligence not only of the directors but of the officers, agents, and servants of the company is reasonably expected and bargained for. Since the corporate trustee can act only through its agents, their negligence or default necessarily entails corporate liability." In support of this statement its author cites cases from the highest courts of the following states: Massachusetts, Connecticut, Pennsylvania, Minnesota, South Carolina, and Kentucky. To this group might be added many others, including New York.

Among the cases from Massachusetts is *259 Mass. 578*, in which the trust company as trustee of $10,000 invested it in a mortgage on a house and lot in a high class, single-house residential district. Shortly after the investment the district grew into a tenement house section. While the land was depreciating in value, the officers and agents of the trust company stood by until they were finally forced to foreclose and sell for little more than half the value of the mortgage note. The Supreme Court of Massachusetts held the trust company liable for the losses incurred through the negligence of its officers and agents.

In a New York case, *In re Garvin's Will*, the testator left stock valued at $200 per share with a trust company as executors and trustees for his wife and infant child. The testator also



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directed the trust company to hold these particular shares, which its officers and agents did until they were practically worthless. The opinion handed down June 29, 1931, by Judge Lehman, concurred in by Chief Justice Cardozo, held that the trust company should have sold the stock May 10, 1920 at $200 per share and that, on account of the negligence of its officers and agents in performing their duty, the trust company was liable to the infant daughter for the full value of the shares. The mother, however, did not recover damages, for she had advised the trust company to hold her shares.

The denial of recovery to the mother in the above case explains a decision in a case referred to by Mr. Kelly, *In re Clark's Will*, in which the New York Court of Appeals overruled the Surrogate Court in holding that a trust company is not liable for depreciating bonds. In that case the Court of Appeals, after stating that the bonds were examined regularly by a committee, said, "This committee was composed of distinguished financiers, members of the New York Stock Exchange, lawyers, and others of note in business circles." Furthermore, the trust company advised with the beneficiaries, who did not request a sale and who were holding and had held during the life of the trust some of these same declining bonds without selling them. There was no evidence of negligence or want of care, and the court properly held that a trust company, no more than an individual, should be liable without fault.

The statement in *The Harvard Law Review* on which Mr. Kelly relied is this, "As long as reasonable care has been exercised, in both the choice and supervision of an agent selected for the performance of a *properly delegable duty*, the trustee is not answerable for any loss occasioned by the neglect or dishonesty of the former." Now the "real joker" which Mr. Kelly didn't see is the qualifying phrase "properly delegable duty." Anything pertaining to the management and control of the trust, which requires judgment and discretion, is not a delegable duty without incurring the liability of a guarantor. But any purely ministerial duty may be delegated without liability if due care is taken in selecting the agent or servant to carry it out. For example, the A Trust Company may deposit $10,000 of trust funds with the B Bank. Now if the B Bank fails and the A Trust Company has not been guilty of negligence in selecting the B Bank as a depositary, it is not liable for the $10,000. In many jurisdictions there are laws providing for the designation by the state of certain banks as depositaries for trust funds. These banks are required in a number of jurisdictions to give bond for the safety of these deposits so that in case of failure the beneficiaries will be protected.

In a New York case, *In re Kruger's Estate*, decided September 30, 1931, it was held that an administrator was not negligent in depositing trust funds in an apparently solvent commercial bank, which had been designated as a depositary for state funds and was, therefore, not liable for loss to the estate when it failed. If the rule were otherwise, a trustee would be an absolute guarantor of the safety of trust funds, regardless of his care in protecting them. It would be unsafe for an individual to act as trustee, for, unlike a trust company, he is forced to select some bank as a depositary for the cash in his hands. Only corporate fiduciaries, the trust companies opposed by Mr. Kelly, would be in a position to accept the risk involved.

If a trust company, however, selects its own commercial department as a depositary and the bank should fail, the trust company is liable, for it is presumed to know the condition of its own bank. And, further, if the trust company is insolvent, the beneficiary of the trust fund can follow it into the commercial department of the bank as a preferred creditor. This point is much doubted by Mr. Kelly who, in discussing this situation, says, "Whether the estate has a preferred claim against the bank is not clear." But this question has been decided by the highest courts in many of our state jurisdictions. The last decision at the time of this writing was handed down June 3, 1932 by the Appellate Court of Indiana, *Terra Haute Trust Co. vs Scott*, in which opinion the Court stated: "No reason occurs to us why a trust company should be permitted to assume the functions and important duties of trustee on one side of the counter, and repudiate that relationship to the disadvantage of the beneficiary by depositing funds which it may thus receive in its own bank on the other side of the counter, and, in case of insolvency, estop the beneficiary from tracing the trust funds into the vaults of the trust company as a bank, any



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more than a private person could do." In support of this statement the Indiana Court cites, among others, an opinion by Chief Justice Cardozo in *247 N. Y. 52*. These cases and authorities definitely establish that impressive marble pillars are not a defense to negligence, inefficiency, and bad faith.

### "Friendly" Attorneys

The practice on the part of some trust companies of sending customers to "friendly" attorneys, who write clauses in wills and trust agreements exonerating the trustee from any liability for negligence, are rightly condemned. Although Mr. Kelly gives much of his time to exposing this shady practice, it is very doubtful if such clauses are valid. Contracts exempting common carriers, inn-keepers, and telegraph companies from their own negligent acts are held invalid in every jurisdiction except New York. "Although the reasons which forbid such contracts," states *Cooley on Torts* (1932), "have special force in the business of carrying persons and goods and of sending messages, they apply universally, and should be held to defeat all contracts by which a party undertakes to put another at the mercy of his own faulty conduct." Surrogate Slater, who is quoted at length by Mr. Kelly in condemning exonerating clauses, held in his opinion in *In Re Jarvis' Estate* that exemption of a trustee from liability except for "gross neglect by the testator gave no greater latitude to the executors and trustees than is given by the code," which is "a common sense standard of prudence and proper diligence." It is to be expected that other states which have applied this rule more rigidly than New York, when dealing with common carriers, will be more than ready to follow New York's lead in condemning exonerating clauses.

Without attempting to defend trust companies that employ "friendly" attorneys to draw wills and trust agreements, it might be well to consider both edges of this double-allegiance sword which the critics of corporate fiduciaries hold over their heads. The "friendly" attorney, who serves his client and the trust company, is no more crossed in his interests than is the attorney who draws a will appointing himself trustee. The self-appointed trustee is also serving two masters, himself and his client.

Mr. Kelly calls our attention to a correspondent of his in New York State who was the beneficiary of a five-year trust fund, amounting to $1,600,000 invested in speculative stocks which the trust company held until it depreciated to $300,000. No doubt this was supine negligence on the part of the officers of the trust company for which, according to the authorities and cases already considered from New York courts, the trust company would be liable. To sell or not to sell is a discretionary power. It is not a delegable duty without assuming full liability for any mistakes the trust officer or agent of the trustee may make. Let us reply to this case with another from the same state.

On November 1, 1916, a trust fund of $400,000 was set up under the laws of the State of New York. The fund was invested in Interborough Rapid Transit bonds which greatly depreciated in value. Surrogate Slater held in this case that the trustees were liable for their negligence in holding these bonds in a declining market. *A fortiori* the negligence would have been as great, had the bonds been speculative common stock! Judge Slater's opinion could have been no different if the negligence had been that of trust officers acting for a trust company. "Whether the trustee be a corporation or an individual, the same rules must of necessity apply," states the opinion in the recent Indiana case previously referred to.

### Restraining the Beneficiaries

Back in the golden era when common stocks were advancing with each report of the market and bonds at four and five per cent were as uninteresting as a mummified Egyptian maiden in a beauty contest, it was no small task for trust officers to persuade beneficiaries of trust funds that their bonds should not be converted into common stock, that they too could have a whole flock of the geese that were laying the golden eggs. For every one who asked to have stocks converted into bonds, there were ninety and nine who were cussing the old conservative, hard-headed trust officers for not converting bonds into common stock. While trust officers were putting on the brakes, their office boys were buying on margin. Had not much of America's accumulated wealth been conserved in trust estates, the crash of '29 would have been even



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more severe than it was. Mr. Kelly's correspondent is an exception to the rule, first, in that he wanted to sell stock and buy bonds, and second, in that he didn't make use of his remedy under the laws and decisions of the State of New York against the trust company. Moreover, that trust company was an exception to the rule in preferring speculative stocks to bonds.

One white crow doesn't determine the color of the flock, nor does one black sheep contaminate the herd. The friend who put half of his savings in a trust company which lost thirty-eight points on its investments while he lost only ten points on the other half, is but one case in a thousand from which of course no deduction or general rule can be drawn. He may have been fortunate. Lady Luck knows no rules of conduct. She doesn't keep company with the average man. The next 999 cases examined might reveal, and likely would, that the inexperienced investor lost much more than his trust company lost.

The charge is made that laws vary widely. This fact is not peculiar to trust regulations. Laws regulating marriage and divorce, property rights in general, and negligence to persons and property all vary widely. For example, if a citizen of Georgia were to approach a railroad crossing in that state with due care, but failed to stop, look, and listen, and were injured through the negligence of the trainmen's failure to whistle and ring, he could collect damages. If this were to happen in a number of other jurisdictions, he could not recover damages. Or if the accident at the Georgia crossing had happened to an out-of-state visitor, he could not recover under the federal stop, look, and listen rule. No institution should be condemned because we have forty-eight jurisdictions plus the federal government regulating the rules of conduct.

### Advantages of the Trust Company

The modern trust company, though comparatively young, is an established institution. In the recent survey by the American Bankers' Association previously referred to, it was learned that 29,000 persons in 1927 appointed banks and trust companies to act as the executors or trustees of their estates. This number grew to 44,000 in 1928, and jumped to 60,000 in 1929. The corporate trustee idea is growing by an almost geometric ratio. Millions of men nowadays believe that trust funds preserve the estate, protect the wife, and provide for the children more safely than if the money were paid directly to them. The trust idea is established. The only question is the choice between an individual or a corporate fiduciary. In his question, "Can a trust company do as good a job of investing other people's money as an intelligent student of investments can do for himself?" Mr. Kelly seems to favor the individual.

Let us compare the ability of the intelligent student of investments — who is the exception, not the rule — with the efficiency of a corporate fiduciary. Modern trust companies occupy a unique position that especially equips them to carry out the duties of a trustee. They never die, go abroad, retire, or become incapacitated in the midst of their duties, as is frequently the case with individual trustees. Their investments are guarded by state laws, regularly scrutinized by state examiners, and either protected by bonds held by the state or requested by the probate courts. "Owing to the modern inheritance tax complications and rapidly changing economic conditions," writes George E. Putnam in the June, 1930 *Atlantic Monthly*, "the task of executor has become more and more technical, requiring a thorough knowledge of law, finance, real estate, accounting, insurance, taxation, and in many cases the science of business management. It is not often that one would find an individual sufficiently well versed in all these fields to be able to qualify as an expert administrator."

The first move in launching any business enterprise that is expected to endure and grow is to incorporate. There is a reason. About the directors' table may be gathered specialists in economics, engineering, law, and finance to direct efficiently the destinies of the enterprise. The public is turning to corporate fiduciaries by the thousands for the same reasons that have turned it to corporate management of big business.

Those of us who have seen the savings of others dissipated by incompetent relatives, family lawyers, or business associates serving as trustees hail the modern trust company with its specialized departments as a guardian angel to save their fortunes and families from a similar fate.



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# Chicago — City of Unrest

## *Even There Communism Has Made No Headway*

*by* **MILTON S. MAYER**

CHICAGO is, far and away, the hobo capital of the world. In good times half a million of the tattered and wobbly pass through the city every year, with stopover privileges. It is the cross-roads of all endless trails. Fifty thousand, in good times, are permanent residents, begging, stealing, basking in the sun, and picking up pin-money by repeating at local elections. To their footloose brethren of the blind baggage these fifty thousand are contemptuously known as "the home guard." In times of stringency, such as we are now experiencing, the fortunes of the road are at low ebb, and the home guard finds itself doubled, almost tripled.

There is greater cause for alarm in the number of Chicago's formerly respected and industrious citizens who are being forced down to the level of existence along which her freight-car transients and blowzy home guard have sprawled for years. There is no quarrel, I believe, with the assertion that Chicago is worse off in that respect than any other city in the republic. Being the nation's greatest industrial center it has been, and still is, the hardest hit by unemployment of any metropolis. In 1930 there were three and a third million persons in Chicago. According to this same census, there were about one and a quarter million "gainful workers" in that population. According to the one dependable agency for collecting such statistics (the name of the agency cannot be used here because the following figure is unofficial and is intended by the Administration to remain so), there are at least 750,000 persons out of work in Chicago to-day.

The situation is made even more explosive by the fact that Chicago's population is heterogeneous to a degree that only New York's surpasses. Its groups live in definitely bounded districts — the Poles, the Bohemians, the Germans, the Greeks, the Russians, the Italians, the Russian Jews, the Mexicans, the Negroes, the Chinese, the Turks — isolated against assimilation by their languages, their social-protective organizations, their occupations, their color, their costumes, their transplanted national hatreds. These groups are politically volatile. New York's are organized politically by Tammany and dominated by that institution, and Tammany, as the clearing-house for office-holding and the special privileges attached thereto, is unequivocably capitalistic. Chicago's unassimilable have never been organized; their instinct to set up a yell for their rights has never been systematically subdued.

Moreover there is less respect among the plain people for Chicago's bankrupt government than there is for New York's wicked government. For five years it has been a secret from no one within the city gates that Chicago is on its uppers. For a year and a half the city has been telling the world about it through the medium of taxation disputes in the state legislature. Six months ago the local money trusts announced firmly, but very, very gently, that they had reached the end of their "assistance"; they had an uncomfortable number of the city's tax-anticipation warrants, and they were having troubles of their own. Since that time Chicago's officials have gone from banker to banker, from city to city, begging for a crust, a crumb. They went to Washington, even, and Mayor Tony Cermak warned the Senate that the city must have "money now or militia later." This magnificent bobble sent the city's credit to a new low, and the Senate decided that it preferred to send militia later.

Cook County's (Chicago and suburbs) unpaid bills total a quarter of a billion dollars.



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Every reluctant penny that is obtained from the Reconstruction Finance Corporation is used to keep the local relief stations open another day, another week. The city is living from hand to mouth. The promise of money from the Reconstruction Finance Corporation contingent on state aid goes by default when the farmer-dominated state legislature refuses the state aid. The present city administration is incompetent and unpopular. Even if recovery descends upon the earth like a horde of angels before another thirty days have passed, and even if good government supervenes in Chicago at the next municipal election two years from now, the interest on its debt will keep the city beggared for a cool century.

When a city goes broke under the burden of nothing worse than a national economic depression, the implication is that its government is a hash. The implication, in this case, is correct. (Bill Thompson is the hero of that Virgilian epic.) The disintegration of a system of government right in your own back yard is the perfect sales talk for revolution — Pompey, Paris, and Petersburg proved that.

### The Tinder Is There — but No Spark

All these factors, clinically present in one spot, offer Chicago as ideal tinder, if any city in the nation is, for bloody rebellion. Philadelphia is in a bad way. Detroit is in a worse way. New York is decidedly uneasy. But none of them are as knee-deep in desperation as Chicago. If, then, Chicago is such an elegant point of departure for a national revolution, just how far have things gone in this direction in the nation's second city?

Not — *mirabile dictu* — very far.

In this age of hyper-organization, revolutions are made, not born. Russia was a century behind the "western" world. Germany was given no alternative at Versailles. But in this country blind Americanism has been picking up momentum for sixty-five years, unimpeded. The avowed revolution-makers in the United States are the fifty or sixty thousand members of the Communist ("Workers Arise!") Party, U. S. A. Section of the Communist International. For fifteen years the Communists have been welcoming into their fold all the dissatisfied and jumping on the band-wagon of every dissatisfaction demonstration. Before 1929 they had not succeeded in getting very far. Every day-laborer had a Ford and a silk shirt with green stripes. People like that don't kick away a good thing for humanity's sake or for anything else. They had no complaint. Why should they fight? You can't get blood into a turnip.

Communism has done better by itself since 1929, but not much better. It is very shiftily organized. Its disciples are a seamy lot, even on their own premises, unworthy of exchanging the fraternal grip with Comrade Stalin. Besides, while 100% prosperity is so lustfully and so universally remembered, and appears to be hovering, if only ephemerally, on the horizon again, the commune is not a fast-selling commodity. In Chicago there are two foreign-language Communist newspapers — two years ago there were five — and there is a weekly edition for District No. 8 (the nation is divided into twenty districts, each with a "key" city) of *The Daily Worker*. There are 125 chapters — nuclei, or cells, in the party lingo — meeting on an average twice a week, three-fourths of them in the vicinity of, or actually inside, the large industrial plants of the district. Still they are getting nowhere. In spite of the fact that there are 128,000 families in Chicago subsisting entirely on charity, the local membership of the Communist Party is only 4167.

In the industrial plants between 70 and 80 per cent of the workers have been laid off, yet the cause has made no progress there. Demonstrations have fizzled without interference at the Western Electric Company — which contributed 30,000 of its 40,000 workers to the army of the unemployed — at the Crane Company, and at the United States Steel and Illinois Steel works. The distribution of "literature" at the Ford factory, at the International Harvester Company, and at the Stewart-Warner Company has not brought in enough recruits to justify the expenditure. The workers are not yet satisfied that the seven-dollar day is gone forever; the employers have sopped with relief; pep clubs within the organization have been emphasized and enlarged; and the local police are always on hand to demobilize any demonstration that looks unwieldy. There are tear gas bombs ready, but no machine guns. There have been no riots.

Where else can the Communists go for trouble?



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In Chicago there is one specific, ominous answer to that question: the Negro.

Chicago's last race riot, in July of 1919, cost 38 lives; more than 500 persons were wounded. A Negro, crossing the deadline at a "mixed" beach, started it; the militia finished it. There have been no race riots since. A commission of black and white leaders stemmed the feeling, temporarily, by indicating certain concessions and certain limitations. No readjustment has been made since 1919.

With Thompson out, and, paradoxically enough, with Rosenwald gone, the black man is friendless in Chicago. Thompsonism took him where Lincolnism left off and raised him high. He held office, sold his vote at a fancy price, ran his brothels and all-night undertaking parlors unmolested, and continued to push the whites out of old brownstone fronts and sacred subdivisions. Rosenwald, watching it happen, parleyed with him for peace. Thompson could talk evil to him, Rosenwald could talk good to him; no other white man could talk to him.

The departure of his two friends and the advent of tight times had a rancorous effect upon the Negro of Chicago. He was the first to be hit by the depression, and he has been, of course, the hardest hit. A local manufacturer of tin containers is hiring Negro women at sixteen cents a day. It is easier to talk to the Negro now.

One day in August of 1931 a mob of Negroes was organized in an old time free-speech sanctuary — "the bug club" — in one of the city's parks. At the head of this mob, exhorting it, were dues-paying Communists. They marched their sheep to the scene of an eviction of a destitute Negro family from its South Side apartment. Someone turned in a riot call. The cops came screaming over. There was clubbing, then shooting. Three Negroes were killed and a policeman wounded.

This scared the politicians stiff. All cops were called in from furloughs and most of the best men in quiet districts were held in the stations for a month. The Illinois National Guard sent out a bulletin to its members of mobilization and riot tactics. Heavy guards were thrown around the armories. The Communist dens were watched. Street meetings were disbanded in embryo. The Renters' Court was told to lay off evictions.

Had the great day come? It had not. Nothing happened. With most of the cops in the stations, off their beats, there was less crime in the city during that month than there had been in ten years. The "rent riot" went down in local history a lonely item. The Communist Party tried to follow up its advantage, but there was no response. There were no more riots.

Winter came on. February 11, 1932, was set — in Moscow — as the date for the workers to arise in the twenty "key" cities in the United States. On February 1 Moscow was informed that the workers were not yet ready to arise. From Moscow came an indefinite postponement.

### Communism's Record

For this winter Communism's hopes are high in Chicago. Winter is the time for revolutions, when bellies are cold as well as empty. But low man-power nullifies the high hopes of a violent cause. The Communists do not know their own lack of strength; on the face of the past year's manifestations, it is considerably lower than would be necessary for even the mildest local disturbance. The summer and fall of 1932 showed a definite dwindling in incitative activities. Such as they were, they were in six directions:

1. The Communists — I do not mean the unidentifiable "Reds," I mean the Communist Party, U. S. A. — egged on the city's unpaid school teachers. To enlist the school teachers, symbolic of civilizing authority as they are, would be a Communist achievement in no wise second to the enlistment of the board of directors of the United States Steel Corporation. The wife of the third highest member of the Chicago party council is a school teacher in the city, and a manual training teacher in one of the high schools, having been fired for his bolshevik leanings, is now a paid organizer for the Communist Party. But school teachers, hungry or not, do not respond readily to inflamatory "literature." It is *infra dig.*, and their *dig.* is all they have left. Chicago's school teachers want something, but not Communism — Communism is too rough.

2. Between the Republican and Democratic national conventions in June was the reign of terror in the city's banks. Thirty neighborhood wickets were slammed shut in two weeks. A new high in depositor-skepticism reached the



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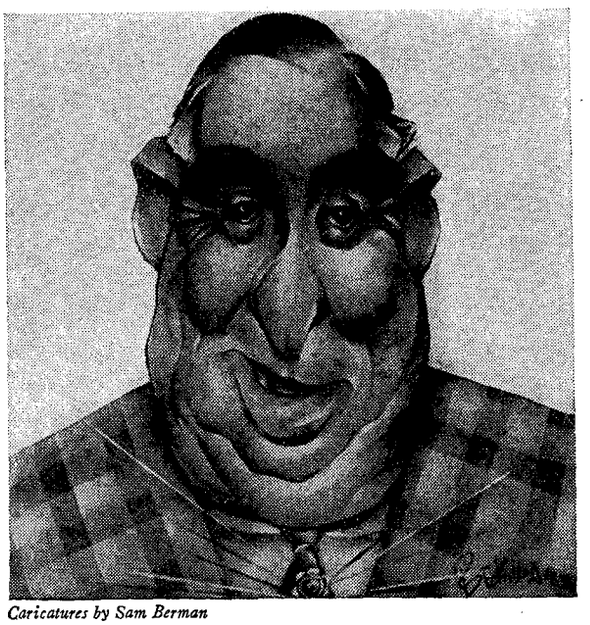
Loop: the billion-dollar, so-called, houses on La Salle Street were mobbed. The overflow stretched down the block like a Sunday afternoon movie crowd of three years ago. The depositors grabbed their money, glad to lose a half million dollars of July 1 interest.

The Communist Party, U. S. A., jumped into action and passed the lightning around that the banks wouldn't open. The public learned a week or so after the frenzy had subsided that their good work had completely emptied the till of one of the three biggest downtown institutions. Dues-paying Communists were spotted by the police circulating amiably in the mobbed lobbies while the run was at its height. Naturally, no arrests could be made.

A few weeks later, correspondence detailing the ambitious ramifications of a nation-wide bank-wrecking plot was found in a hotel room at Pontiac, Michigan, evacuated just before the arrival of the state police by George Rowland, alias Max Salzman, alias — according to the holy American Vigilant Intelligence Federation — George E. Powers, Communist candidate for the New York Court of Appeals. Mr. Powers maintained, successfully, that the Messrs. Rowland and Salzman were two other fellows. In August a feeble Communist meeting of "all Chicago bank depositors" was harangued by Negro Herbert Newton, alias Gilmer Brady, alias a candidate for Congress against Negro Congressman Oscar De Priest. That was the last seen or heard of the great bank plot.



*Caricatures by Sam Berman*

***Ex-Mayor Big Bill Thompson***

3. The Negroes were bolder at the South Side beaches during the summer than they had ever been before. No longer content with remaining north of a tacitly defined line, they took over sections of "white" beaches in rich men's neighborhoods and in Jackson Park. Negro Communists were sent to swim in white water, on the great Communist platform of racial equality. White Comrades were sent to the beaches to pick loud quarrels with them. The party felt that although the Big Push should be staged in the dead of the coming winter, any opportune incident — such as a race riot — might just as well touch it off earlier. But the white tenants of the beaches submitted quietly; the summer passed; the riot failed to materialize.

4. The "Workers' Ex-Service Men's League," one of the "innocent" sub-organizations of the party, sent a truckload of eight Chicago Comrades to the ridiculous "bonus army" encampment in ridiculous Washington. Following the ruckus that occurred there, out of the welter of treacle that engulfed the land when a slow-moving hero was killed, came the querulous squeals of the rival commanders — Hoover of the U. S. army and navy and Waters of the U. S. bonus mob — to the effect, respectively, that one out of every ten members of the mob was a Communist and that not one member of the mob was a Communist. Both commanders erred, which is human.

5. The Communist Party, U. S. A., protested against the capitalistic Olympic Games in Los Angeles by unveiling the First International Counter-Olympic Meet, in Chicago. That was in August. The meet was a very wholesome affair, with a loud speaker sounding out regularly across the field: "All athletes who have not yet had their milk will report at the central headquarters." Having had their milk, the athletes — 112 persons, 40 of them Negroes, 8 of them women — paraded around the field singing the "Internationale," held no preliminary trials, set no records, and achieved no Chicago newspaper mention — not even an attack by the *Chicago Tribune.*

The Counter-Olympic committee, of which Tom Mooney was honorary chairman, had paid a deposit for the use of the athletic field at Loyola University, a Catholic institution, when the university discovered the insidious



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nature of the perpetrators and withdrew the privilege of using its field, returning the deposit. Frantically, the Counter-Olympic committee, unaccompanied by its honorary chairman, sought the use of the athletic field at the University of Chicago, founded in 1892 by that scurrilous old Communist, John D. Rockefeller. President Hutchins referred the application to Coach A. A. Stagg, these thirty years a director of the Olympic Games. Mr. Stagg gave the Communists the use of the field, saying in defense of his act that "as an athletic director I have always contended that all forms of athletics contribute to social well-being and mental sanity."

6. On the rainy afternoon of October 31, three groups of unemployed men converged in the Loop from the three sections of the city and paraded, somewhere between 5000 and 10,000 strong, to the office of the Mayor to protest against a fifty per cent cut in the relief activities of the bankrupt city. The demonstration was widely attributed to the Communists, and as is their custom they accepted the credit and the calumny for it, but even the *Tribune*, which sees Red at every turn, conceded that "the Communist element was apparently outnumbered." Further, the demonstration was orderly — a self-evident denial of Communist leadership. A Methodist divine, one W. B. Wiltmire, acted as spokesman for the group at the Mayor's office, and when His Honor protested against the appearance of signs in the parade reading "Hang Tony Cermak to a sour apple tree," the Rev. Wiltmire declared that "the Communists broke faith with us" in that they had agreed not to display any unruly sentiments — the implication being that the Communist Party, U. S. A., was not the organizer of the demonstration. The affair turned out to be something of a Mexican victory — nobody killed, but nothing accomplished.

7. The idea of a political revolution, such as Socialism espouses, is inconsistent with the Communist creed. The Communists maintain their identity as a political party simply as an obligato for the deeper-dyed motif of blood revolution. They have never polled a national vote of the remotest significance, nor have they ever elected a member of the federal or state government, nor, except in the embattled mining villages of benighted Kentucky, a member of the municipal government. The efforts, during the late campaign, in behalf of their ticket, were so casual as to have been completely forgotten by election day. Following their "convention" in Chicago, in which Moscow again, as in 1928, wrote the ticket, the party's candidates made an abortive gesture or two in the mid-East and in the Southwest, but none at all in Chicago, where, presumably, their greatest voting strength lay. Came November 8, and their rallying 'round the ballot was, as usual, negligible.

### Will They Get Anywhere This Winter?

Misery will be deeper and wider in Chicago this winter than ever before, but the great day will not dawn. There will be riots — the first occurred early in October at a relief station, resulting in the death of one flophouse denizen and the installation of a temporary guard of fifty policemen around the Mayor's home. But there will be no revolution. Last winter saw a few virile demonstrations — riots by courtesy — around the city's relief stations on the West Side, where the starving is densest. But the local bankers, having been convinced by the city officials that if February 11 materialized their money bags would avail them nought, choked back their tears and subscribed to $4,000,000 of tax-anticipation warrants and insured the survival of the relief stations — and capitalism — for the winter.

The Republican National Committee's presto prosperity will check the surly spread of rebel machinations during the cold months this winter, even if the rabbit is replaced in the hat after Christmas. But the poor will not be rich in thirty days, nor will the 750,000 be working. The capitalists will still be clipping their coupons and eating them too. There will be riots in more respectable cities than Chicago this winter. Families who had enough in the sock or were able to go to relatives these past two Christmastides are down to bed rock in every large city. The fathers of these families have stuck with capitalism through thick and through very, very thin. But as the third retrenched winter sets in the hitherto loyal sufferers will not swallow their political castoria very readily. Some of them will have reached the condition where, as Fourquier-Tinville announced when Danton was condemned, "we do not want men who reason



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here — we want business done." So they will riot, but to little avail. The Communist Party, as I have observed, is badly organized, it is cracked all along the line with dissension and deception, and its membership in the United States is almost uniformly of low stamp. Most significantly, the party exchequer is pitifully low, and for what profiteth it a man if he gain his own soul and the capitalists have the machine guns?

Communism, like capitalism, is mostly ballyhoo. It is glad, nay, eager, to take the rap for any and all demonstrations against the existing order. The assortment of outrages that is laid at its door adds to the build-up without which the party would vanish as magically as Jesse James would have vanished had he reformed and gone into the wholesale ready-to-wear business. Communism relishes the prevalent confusion in the public mind between its own principles and activities and those of the bespectacled, respectabled Socialist Party. Let alone, Communism, as a party anyway, would languish rapidly in this country; with all the notice it does get it is still a puny cause.

*Mayor Tony Cermak*

Its greatest asset is the existence of the holy societies composed of self-appointed guardians of the *status quo*, third-generation residents of this beautiful land who rise at all hours to assert their 100% Americanism and snap at a menace which does not exist and which, when it does exist, will probably exist because the time has come for it to save the world. These people have a great deal of money to burn, relatively, and they invest some of it in their own conceit — chauvinist Americanism. They maintain organizations and the organizations maintain expensive offices and expensive "executive secretaries" who are professional Communist-baiters.

The business of these organizations seems to be the gathering of information about seditious persons and lodges; the dissemination of this material to the waste baskets of city editors and U. S. marshals; the heckling of weak institutions like Communism and Socialism (which they consistently link in their propaganda); and the periodic announcement that unless all 100% Americans do something about it the home of the free is doomed to fall into the hands of foreigners with dirty fingernails. Disgusting Bill Thompson used to say, when he was running for office against an honest, intelligent Irish opponent. "This campaign is between 100% Americans and left-handed Irish who are a disgrace."

Societies of this type are reminiscent of the Native American Party of 1852, the American or "Know-Nothing" crowd that took up its fallen torch four years later, and the late, lamented Ku Klux Klan. Such organizations, which attempt to invoke government by scare, are always doomed to early demise. They are inspired by even more puerile notions than those underlying the two illustrious major parties.

There is no reason to believe that these holy societies now flourishing will meet with any more success than have each and all of their predecessors. Certainly they will not accomplish much in the direction of staving off the inevitable economic back-flip. The federal government has been progressing very nicely on its own hook in the matter of gagging free speech, suppressing free press, and dissolving free assembly. And even this type of tyranny is, I suspect, of little use. What threatens the government of the United States is not force at all, in the primitive sense. If capitalism is going to kiss itself out, and I believe it is within a generation or two, it will break precedent to this extent: there will be no blood and very little thunder. The next revolution will be benign. We are still medieval in many ways, but getting up crusades isn't what it used to be.



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# Must I Have Children?

**ANONYMOUS**

As a wife of slightly more than two years, I write to complain that pressure is being exerted on my husband and me from two sides — sword and distaff — to bring offspring into the world. In talking with other young married couples, we find that the experience is so common as to indicate a general conspiracy on the part of the elder generation to saddle the younger generation with babies which, frankly, we do not want. It seems that this situation is causing a good deal of friction in otherwise well-regulated families all over the country, that a new national problem has arisen. American mothers have stopped worrying for fear their unmarried daughters will have babies and begun worrying for fear their married daughters won't.

*Drawings by Johan Bull*

We are all exhaustedly familiar with our parents' point of view. We cannot help but be. For no Christmas Day passes that one of them does not preface a persuasive homily with, "Well, somehow Christmas hardly seems like Christmas without a child around." On each wedding anniversary another is sure to write: "Congratulations . . . glad you are so happy . . . only regret that you have not yet experienced the deep joys and satisfactions that parenthood. . . ." They go rapturously on about tiny finger nails and curly toes and the thrilling moment when baby first recognizes Da-Da. Even so astute a member of the elder generation as the Editor of The Forum joins the conspiracy. In an editorial several months ago (Forum, May, 1932) which is still annoying me, he applauded some young couples who went without new shoes and lived on radishes from the garden two hours away from town and office so that they might have a baby.

The argument seems to be that we childless ones are shockingly selfish. We don't want to give up our late parties, our bridge and golf and automobiles, our neat chests and abdomens. Of course such argument takes it for granted that we *ought* to have children.

But let's be realistic about this question of babies. We do not take it for granted that we ought to have them; just why ought we? Why should we give up those small extravagances which light our path and cheer our spirits, why should we tie ourselves down with diapers and doctor bills; why should we?

We have no religious compunctions (I am speaking now for one couple — ourselves — but I believe that we are pretty widely representative). We do not consider it our duty to supply any church with worshipers, and we do not think that marriage without children is immoral.

We have no economic motives, obviously. Our farming great-grandfathers had twelve or thirteen children apiece largely because, although babies might be something of a nuisance while small, they became decided assets as soon as they were seven years old and increased in value with each successive birthday. Since no one then knew that each child should have a separate room to protect his individuality, they were not cramped for space. And there was no trouble over little mouths to feed when there were also little hands to weed. Even if the youngsters eventually left home, they had more than earned their bed and board while



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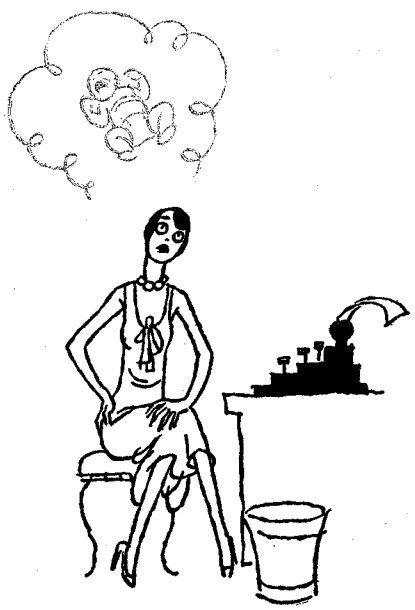
they were growing up, and with any luck at all the old folks were ready to retire to town by the time the last one flew the coop.

To-day babies cost more in the first place and are progressively more expensive for twenty years, when they leave home without repaying any of the principal invested in them or the interest thereon. Not only have they failed to be of the slightest financial help to their parents but, on the contrary, have been capacious drains.

Suppose we had a child. We now live compactly in a so-called three-room apartment in New York. It is ten minutes from my husband's office and twelve minutes from mine. It costs seventy dollars a month and we cannot afford to pay any more. If we had a baby we could not afford to pay that much, for I should have to give up my job and our income would be cut about one-third; and anyway our present apartment would no longer do; we should have to get a larger one. That would mean moving farther out of town — not to the country, for there commutation eats up all you save on rent and you are right back where you started from — but to the Bronx or Astoria, which are an hour away from my husband's office but may be reached by subway for a nickel. We could take our choice between the sandy desolation of Astoria and the tasseled-plush foyers of the Bronx. We might have a cleaning woman once a week but that is all the help we could have. I should see a lot of baby. We could never go to the theater, now one of our chief delights. We couldn't join our guests in a good Martini before dinner and a highball of decent Scotch afterward, as we like to do; we should never be able to drink each other's health for special celebrations. Concerts and the buying of books would become impossible luxuries; doubtless we should find ourselves compelled to give up other amenities one by one.



Perhaps if we felt that this Spartan régime would be necessary for only a few years at the start, we could face it more cheerfully. Unfortunately, it looks like a life sentence. My husband is doing work for which he is well fitted and which he enjoys. It is important and interesting. There is nothing else he wants to do or could do half so well. But his income from it is modest, and the chances that he will ever make much more are remote. Need I add that we have not the same faith in stocks and bonds and real estate that our parents, poor wretches, had before us? And, of course, at any time my husband may lose his job. We know several equally efficient men who have lost theirs already. So having a baby may, to us, easily mean leading a life of privation for the rest of our days. We prefer realizing that fact now to going blithely ahead and then keening over our sacrificed youth later on.

### Are We Slackers?

The patriotic arguments for having children leave us frigid. Let France give a bonus to mothers; let Mussolini hold contests for big families. From the heart we mean the old refrain, "I never raised my boy to be a soldier." And in these days of conscription for wars the United States has no business participating in, such as the last war, it seems that the only way to avoid raising our boy to be a soldier is not to raise him at all. We are therefore cynically traitorous to our country? No. Our country betrays us when it sweeps our boys into foreign trenches as it did in the World War. Why should we provide healthy humans for unnecessary butchery in order that someone else may protect his foreign investments and expand his commerce? Let those who profit by war rear their own sons to be slaughtered to the glory of the dollar.

Now, some people have children for the same reason that scientists breed guinea pigs: they have theories they want to test. One couple we know believes that if a person was brought up without any inhibitions, was encouraged to be as instinctive as a sunflower, he would trip joyously from the cradle to the grave. Another charming pair believes that grammar schools



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are man's undoing. They are eager to have a baby so that they may fight off truant officers for some eight years while the child learns arithmetic by studying Bach's music, practices reading and writing with the Tales of the Round Table for a primer, and has his imagination developed not by Grimm but by Rabelais. Other people have theories, not equally extreme, but which they hold with equal passion.

My husband and I have no theories whatsoever. We haven't the seed of an idea how we should bring up a child if we had one. We should not know whether to try to convince him that there was a God, or to tell him flatly that there was none. Neither of us has strong convictions on the subject; neither of us particularly cares. If our child were like that too — well and good. But maybe he would be one of those persons who has to believe in something. Which tenet would yield him the most strength and peace? Would he be more or less courageous if he felt that the misfortunes of this life were the result of God's will and that all his wrongs would be righted in some future existence?

Furthermore, should we bring him up to be a broker or a bricklayer? Should he be given a toy bank on his fifth birthday and taught to save every penny he can close his little fist on? Or should he be taught that accumulating money is as naughty and unsocial a practice as grabbing for the biggest piece of cake? These questions would seriously vex us, for we have no clear idea what the world will be like twenty-odd years from now. Our child, grown to manhood, might have to build his life in a society which recognized as the proper chisels for the job polite acquisitiveness, starched shirtbosoms, and a knack of getting people better trained than he to do his work for him. On the other hand, he might find himself in a society which would respect him only if he were an expert machinist or a master mason who did the best work he could for the joy of doing it and for the common weal. Capitalism or Communism: which would he be in for? We should hate to bring a boy up to feel that he must always have a shower before breakfast if most of his life he'd have to wait in line for a chance to wash his hands.

In case our child were a girl, we should have all these worries just the same, and in addition the problem of what to tell her about sex. I don't mean the bees and flowers part; that's simple. I mean how should we teach her to behave? How could we bring her up to be prudent but not prudish? After all, the days when a girl was never caressed by any man except her financé have vanished. The problem is how to explain to a young girl what is allowable and what is not, and then give a plausible answer to the inevitable why. Indeed, what convincing arguments could we give for chastity itself? The threat of eternal damnation has been laughed away; the physical risks are getting slighter every day; the social consequences of being found out are rapidly becoming negligible. Though we might feel it advisable to tell our daughter that chastity is the best policy, our reasons would, I am afraid, sound vague and nebulous to adolescent ears.

### The "Blue Bird" Myth

These, then, are the reasons why my husband and I are not eager to have children. If we seem selfish, toward whom are we selfish? The unborn? Well, of course, we have seen Maeterlinck's *Blue Bird* and remember the touching scene where the unborn children stand at the gate clamoring for their chance, but, alas, we have learned the prosy biological basis for that myth. Anyway, I don't think a child would find life in our house any crib of roses.

One might say, perhaps, that we were being selfish toward the race — that if everyone felt as we did the race would soon die out. Is propagation to be our only aim in life? We don't think so. We did not get married so that we might contribute to the population. We got married because we loved each other and thought we should have more fun living together than apart. If anyone can convince us that we should be still happier with a third person in the house, we shall have a child. So far we have not felt the need for so much as a cat, a dog, or a bowl of guppies.



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# Capitalism Backs Down

## *What Hoover's First-Aid Measures Imply*

*by* **ERNEST ANGELL**

While the experts do not agree either on how we shall recover from our recent fall from the heights of 1929 or how we can prevent another attack of vertigo, we have nevertheless taken first-aid measures which may prove to be of greater significance than most of us to-day realize. The immediate question is whether these measures have started us up the hill and how we shall care for our 12 million unemployed in the meantime. The more important question is whether by these measures private capitalism has formed a lasting partnership with government and is about to surrender to it the rudder of business.

The Administration in Washington has been forced from its original denial that anything was rotten in Denmark to open recognition that rugged individualism is no longer able to turn the tide of deflation and suffering. In his acceptance speech of August 11, 1932, President Hoover said: "Two courses were open. We might have done nothing. That would have been utter ruin. Instead, we met the situation with proposals to private business and the Congress of the most gigantic program of economic defense and counter-attack ever evolved in the history of the Republic."

The most astonishing spectacle of the past year is not the tardiness of the Administration in realizing how very steep was our fall from 1929. It is rather the sight of the Republicans in Washington, aided by the Democrats, throwing over (for the time being, at least) the hallowed dogma of the all-sufficiency of private initiative and adopting the un-American heresy of a planned economy, in its initial phases. You may not like planned economy, or you may insist that we have started in the wrong way, or have not gone far enough. But you must recognize that a beginning has been made, and it is a beginning, I believe, which brings measurably nearer the end of our era of private capitalism. The advent of the government into private business on the present scale is the most significant event or portent in American economic life since the frontier faded into history books and movie romance.

I propose to survey the extent and nature of the various types of government aid to business which are now fairly launched; to consider their influence in the present crisis and their probable effect in modifying our present system of private capitalism.

### The Workings of the R.F.C.

The measures of government aid initiated in the effort to start the back-swing of the pendulum are of three types: persuasion, official propaganda, and conferences; appropriation of large sums of federal government monies (chiefly in the form of loans to business and for public works); broadening the basis of money and credit.

The efforts at persuasion cannot be viewed as successful or promising any great element of success. It was all very well for the President to engage large employers not to reduce wages in the early stage of the crisis, but wages have in fact been reduced and millions thrown out of work. Beginning in July last a flood of optimistic news stories bearing Washington date-lines have appeared in the press; it is no secret that their emission was inspired by the administration. The people are to be cajoled into believing that the turn has come. At the same time the Scripps-Howard papers, however, carried a significant news story on August 15 — "Hoover Seeks to Widen Use of U. S. Credit. . . . The underlying purpose behind President Hoover's new economic conference called for August 26 is to persuade the nation's financial and industrial leaders to stimulate



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trade on the basis of additional facilities extended by Congress and the administration." It is open to fair doubt how far you can inveigle the owner of an idle shoe factory to borrow money at his bank to finance the purchase of leather for the manufacture of shoes in the face of a dead market for his product.

The second type of government aid — loans to business and public works expenditures — is, however, of vastly greater significance, although perhaps not in the ultimate direction in which it has been widely heralded as the weapon of success. This we must consider in some detail.

Apart from government incursions into the field of nominally private enterprise which have long since become accepted, such as education, carriage of the mails as distinct from carriage of freight and passengers, and construction of public buildings, the last twenty-five years have witnessed the investment of large sums of government funds in more or less permanent business enterprises. One may readily cite the Panama Canal, large-scale irrigation and reclamation projects in the West and South, ship building during the last war and the subsequent operation of commercial vessels ($200,000,000 cost), government operation of railroads and immense indemnities paid to the roads for losses incurred in such operation. More recently through the Federal Farm Board and such agencies the government has invested or loaned about $1,850,000,000 in aids to agriculture. To date these 2 billions have not served to revive the shipping business or agriculture. This expenditure has helped to ease the shock or the fall in prices by transferring the ultimate loss from the individual producer to the taxpayers at large, a process of socialization of private loss.

In January, 1932, Congress set up the Reconstruction Finance Corporation (R.F.C.) "to aid in financing agriculture, commerce, and industry," and empowered this body to make loans for not more than three years to railroads, banks, building and loan associations, insurance companies, credit unions, *etc.* Legislation of July, 1932, broadened the purpose by authorizing loans to public governmental bodies for "self-liquidating" projects, to state-controlled housing bodies, to private corporations for self-liquidating improvements in communication and reforestation, to finance the export of farm products, and to the states for relief of the needy.

Congress appropriated 500 millions for subscription to the capital of the R.F.C. as its original working fund, and has authorized the issue of 3300 millions in debentures (promises to pay) to be guaranteed by the government, the Treasury being empowered to take up these debentures as well as the entire capital. This means that a total of 3 billion, 800 millions of government money may flow out through the R.F.C. to keep afloat railroads, banks, and other units in distress, and to stimulate new enterprises.

By September 1 a billion, 270 millions had been loaned by the R.F.C. in seven months, of which the principal items were:

| | |
|---|---|
| Banks and trust companies | $730,000,000 |
| Railroads | 230,000,000 |
| Mortgage loan companies | 75,000,000 |
| Insurance companies | 67,000,000 |
| Building and loan associations | 65,000,000 |
| Crop loans to farmers | 64,000,000 |
| "Self-liquidating" projects | 53,000,000 |
| Relief loans to states (to Sept. 30) | 35,000,000 |
| Loans repaid to R.F.C. (to Sept. 30) | 185,000,000 |

Over 3 billions have thus been invested in business by the federal government, principally since 1929, and the R.F.C. may draw on the Treasury for 2 billion, 680 millions more in loans.

The Home Loan Bank Act of late July provides for setting up a number of such banks, on a base of capital to be subscribed by the United States up to 125 millions. The institutions will loan monies on the security of home mortgages.

The table of these sums already invested and available in the immediate future reads thus:

| | |
|---|---|
| At present invested | $3,300,000,000 |
| Additional R.F.C. loan monies available | 2,700,000,000 |
| Home Loan Banks capital | 125,000,000 |
| New public works (1932) | 322,000,000 |
| Total (round figures) | $6,500,000,000 |

This is equivalent to about $60 for every man, woman, and child in the United States. It does not include previously authorized federal public works still in course of construction ($400,000,000); public works appropriations of the states, counties, and municipalities;



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state, local government, and private relief funds; additional working capital of the Home Loan Banks which will be obtained by sale of their obligations not guaranteed by the federal government.

Before we attempt to appraise the effect upon the present depression of the distribution of about 7 billions of federal funds in the arteries of trade and business, or the possible long-range implication of any such vast expenditure, we must look into the third type of government aid — measures to broaden the basis of bank credit in the effort to expand the volume of such credit in actual use.

### Helping the Banks

Credit, that immensely elastic capacity to loan and desire to borrow, is the stream which carries raw materials to the factory, finished goods to the consumer, wages to the workman, deposits to the banks, and "money" back again to the producer. This elasticity depends upon confidence on the part of the lender and upon the smooth functioning of the mechanics of a currency system.

Upon a base of 4 billions in gold reserves and 5¾ billions in government and bank notes rests the huge structure of the country's bank credit, of about 45 billions. Bank credit means the total of bank loans outstanding and of investments held by banks, chiefly in government and corporate bonds.

When the gold reserves ebb by export abroad or when confidence is shaken or loans become "frozen," the sources of business credit tend to go dry. For want of credit the factory wheels slacken and stop, men are thrown out of work, purchasing power declines, and we go into the tail-spin of a depression.

The Administration and the Federal Reserve Board have co-operated in a strenuous attempt to relieve the strain on the banks brought about by shrinkage of deposits and of values of security assets, hoarding of currency, flow of gold to Europe, and other influences; and after relieving the strain to increase the volume of credit in actual use and thus make it easier for banks to lend and for producers to borrow. This is "mild inflation."

In this country the principal way in which credit control is sought to be exercised is by the "open market operations" of the Federal Reserve banks in purchasing federal government securities from local banks and trust companies, which in times of declining values invest their funds in readily marketable low-yield government bonds rather than in loans or corporation bonds. After the private banks are thus put in a "liquid" position, by substituting cash in the form of Federal Reserve notes or credit in favor of the banks for the bonds previously held, they are tempted, almost forced, to put this cash to work either by investing it in corporate securities or in loans. Either form of investment is a stimulant to business activity.

The Federal Reserve banks purchased $1,100,000,000 of government securities between February and August. This operation transferred this amount of money or credit from the central banks to the commercial banks for industrial use. The same process on a smaller scale had been used with success in the past. The question in early 1932, however, was whether the remedy had not been invoked too late, whether the stagnation was not too far-reaching to be susceptible to artificial stimulus.

Prior to 1932 Federal Reserve notes, constituting the bulk of our currency, had to be secured by $40 in gold and $60 in commercial loan paper of not more than six months maturity for each $100 of notes issued. Due to shrinkage of loan demand there was a scarcity of commercial loan paper, hence more than $40 in gold was being set aside by the Federal Reserve banks for their $100 notes issued to the member banks of the system. The recent Glass-Steagall Act permits the Reserve banks to use government bonds in lieu of commercial paper for 60 per cent of the face value of notes put out. This had the double advantage at a time of heavy withdrawals of gold by Europe from the United States of enabling the remaining gold to be used as the basis for more currency and credit, and also of enabling local banks in the period of scarcity of commercial loan paper to exchange their holdings of government bonds at the Reserve banks for Reserve notes.

Another late act of Congress permits the national banks to use government bonds, within limits, as the basis in part for the issue of national banknotes. The purpose here is by replacing Federal Reserve notes with an equal volume of national bank notes, to increase the deposit balances of the member banks at the



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Reserve banks and thereby increase credit facilities. This is an example of straight currency inflation by legislation. The maximum increase possible under this act is about one billion dollars, but the banks have not shown any great desire to take advantage of the new privilege. The expansion power for whatever increase of currency may take place is the government bonds, unsecured promises to pay. The act has been strongly criticized as a possible opening step down the steep and dangerous hill of unlimited currency inflation. Carried to further lengths, all prices would move up rapidly to end in the wild inflation of Germany's currency debacle of 1923.

These are the principal measures thus far adopted in Washington for direct expansion of the volume of bank credit, *viz.*, large-scale purchases of government securities, the permission accorded to the Federal Reserve banks and to the national banks to use government bonds as part of the base for additional currency and credit. Each of the three rests upon the assumption that wider use of government bonds can increase bank credit volume, raise prices, stimulate business recovery, put men to work.

It is too early at the moment of writing to determine the real effectiveness of the remedy. Credit facilities have been broadened and strengthened, the banks are in far better condition than in early 1932 and their investments in securities have increased. The volume of loans, however, has steadily declined, and by a greater amount than the increase in security investments. The significance of this is that the credit reservoir has been refilled, but the new supply has not been appreciably drawn upon.

### The Government to the Rescue

The moment is opportune for an estimate of the immediate and the long-range influence of the new centrally directed forces of government-aid monies and credit stabilization. The views of the economists differ widely over the question of the extent to which the depression cycle can be altered by these or other means. Colonel Leonard P. Ayres writes from Cleveland: "The only artificial stimulants that have ever been effective in this country in initiating recovery from depressions have been great wars. All the efforts of government, or of groups working under government auspices, to aid in initiating business recovery are . . . either efforts to remove barriers blockading business, or they are attempts to stimulate business, and usually to do it by spending public funds. In general the efforts of government to force business recovery through stimulation must prove futile in times of peace, for the public expenditures cannot be made great enough to overcome the barriers to business that are responsible for prolonging the depression."

From the more confident assurances of another school, one may quote Stuart Chase: "The state can do what no individual or private group can do. As tsar of the nation's money, it can expand or shrink the supply, rising above the limitations of the individual who must live within the rules. Governments make rules. If the state desires to check deflation, it can check it; to create employment on useful and worthy projects, it can create it; to augment purchasing power, it can augment it. . . . How can a financial call be made sufficiently mandatory? By creating new money and pumping it into strategic locations." Mr. Chase therefore urges the immediate expenditure of five billions for financing public works, specifically highway construction, by issuing government bonds or by use of the Federal Reserve system's credit. This sounds simple, but no one really knows how far the process can safely be pushed.

The expenditure of public funds for public works is now relatively inconsiderable, less than the average appropriations of the boom period. The huge sums invested by the federal government in aids to agriculture have not served to raise or even to maintain the price level of farm products. Perhaps the billion dollars and more which the R.F.C. has now put out will have turned the tide. These monies have gone almost exclusively to keep afloat the weaker banks, railroads, *etc.*, rather than to finance new enterprises and draw workers from the army of the idle. Many condemn this type of support as wasteful and useless. Professor R. G. Tugwell of Columbia, for instance, declares that "the attempt to support prosperity values for property among an idle and impoverished people is a futile gesture. To attempt to save the country by insuring the *status quo* of its banks is like attempting to revive a dying tree by applying fertilizers to its branches instead of to its roots."



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Yet the application of fertilizers to the branches apparently saved the banking system of the country from immediate collapse, and was largely instrumental in terminating the financial crisis and in restoring confidence. When rows of banks fall before the winds of panic, everyone suffers — depositors' money is tied up or lost, local industry is crippled, more men are thrown out of work. When railroads are known to be approaching default on bond interest or principal, the market values of their bonds tumble; the solvency of banks and insurance companies holding large blocks of such bonds is at once threatened. The railroad problem becomes a banking problem, the banking problem an industrial problem, the latter in turn a problem of employment and purchasing power. The units of the economic and industrial fabric are interdependent, not found in separate watertight compartments.

The choice lay early in 1932 between preventing the weaker banks and railroads from going to smash, thus probably dragging down the entire banking system and much else besides, or fostering new enterprises for immediate employment and increase of purchasing power. The R.F.C. chose the former course. It is to be hoped that the second phase of R.F.C. investments will emphasize loans to new enterprises, public and private.

I shall assume for the moment that we have not as yet turned the corner and started actively up the long hill. Congress will convene in December and will be faced with the impending starvation of idle millions. The demand for radically heroic measures will be insistent: national dole, capital levy, direct currency inflation, halving the gold content of the dollar, public works on a vast scale. This last proposal will have the best chance of adoption, although currency inflation is a dazzling lure to feeble-minded Congressmen.

The skepticism of Colonel Ayres and the confidence of Mr. Chase are equally unproved. Either or both may be wrong. If, as I have assumed, the creaking mechanism has not in fact got under way at accelerated speed, we shall undoubtedly have the opportunity to learn whether our government can pull us out of a major economic swamp by a yet more lavish expenditure of public funds upon new enterprises, and at what cost for the future in the form of increased debt burdens. If my premise as to the continuance of business stagnation be mistaken (as it may well be), we shall nevertheless have learned something of inestimable future value about the effects of government support of existing property values, the strengthening of the base of business credit, the elasticity and capacity of private initiative to harness the earthbound basket to the balloon of "mild inflation." Whether or not the government be called upon to throw in yet more billions, much has already been fed into the system at such high continuing levels of property values that it cannot be repaid within a reasonable time.

### Income Decreases; Debts Increase

Government has gone into business, supposedly, under the R.F.C. legislation, for not over three years. The headaches will come when the Treasury cannot get back its loan monies. The baggage camel, it is said, knows to a pound the proper weight of his load and refuses to rise if more be added. Our own camel is badly overloaded and we are in for trouble. As I write, publicity is given to the first report of a group of American engineers under the leadership of Mr. Howard Scott who have for ten years been conducting an intensive study of the fundamental trends of American economic forces. A succinct summary states their conclusion that "industry has reached the point of efficiency where further expansion is virtually impossible and where the creation of debt on an already overladen structure has passed its period of growth." These engineers estimate the present total American debt volume, public and private, at 218 billion dollars. Other estimates range down to 170 billions. Let us take a median point of 200 billions; the annual cost of this debt charge is 10 billions for interest.

A glance at reliable estimates of total national income in recent years reveals the dilemma as to how this annual bill for interest can continue to be paid.

| | *1920* | *1925* | *1928* | *1929* | *1930* | *1931* | *1932* |
|---|---|---|---|---|---|---|---|
| Income in billions of dollars | 75 | 79 | 82 | 85 | 71 | 53 | 38 (Expected) |

During the years from 1925 to 1932 the total debt has not decreased: it has, if anything, increased. Yet income is less than half what it was in 1929 and there is no probability



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of a sudden or marked increase. The country might without undue effort pay something like 10 billions in interest charges from a 1929 income of 85 billions, a mere 11 per cent of the total income, but it cannot continue to squeeze 10 billions from a total income of 35 to 40 billions, that is, 25 to 30 per cent of our income. If we have to go in for a program of 10 billions more of federal money for public works, we add nearly half a billion for this item to the total interest charge.

If in 1929 my house mortgage is $10,000, at 5 per cent, and my income is $5000, I can afford to pay a tenth of it for the $500 interest charge on the mortgage. If, however, my 1932 income is cut to $3000 or $2000, I am seriously put to it to pay the mortgage interest. If I do not pay, the bank ultimately forecloses the mortgage, sells me out, and either buys in the property for a nominal sum in the hope of later salvaging the mortgage loan at face value, or sells my house for what it will bring and writes off the loss on the original loan.

If next month, next year, I know my income will be within hailing distance of my 1929 figure of $5000, I make enormous effort to save my house; I go without all luxuries and many comforts to scrape together the mortgage interest. But if I am to stick at the $2000 income level for an indefinite future, I tell the bank to take the damned house, and go looking for a three-room apartment.

It would be rash to hazard a positive forecast of the extent to which the debt structure must be scaled down before we can get back on even keel, for this will be largely determined by the degree and rapidity of recovery in terms of dollar values. It is increasingly apparent, however, that there will be further heavy debt deflation in the next five years, in addition to the huge volume of recent bank and business failures, bonds and mortgages now permanently defaulted.

### The Government Forced into Business

Part of the impending deflation of debt charges and property values will inevitably occur in business enterprises in which the government investments are now being made. These investments may become so large before the need for public assistance has passed, and the loss in the government's new stake may be so serious, as to lead more effectually than any other factor of reason or politics to a permanent and radical modification of our economic order. To quote Professor Tugwell again: "The R.F.C. will find itself possessed of a good deal of property — as the land banks are already — because it has loaned funds on the expectation of supporting levels of values which must ultimately fall. . . . Suppose all our railway systems become insolvent, as many of them already are. Rather than submit to drastic reductions in service and continued default on bonds (many of which are the chief investment of insurance companies) the government may be forced to take them over."

Railroad earnings in 1932 ran about 70 per cent less than in 1931. From January 1 to April 30 only six railroads out of 154 in Class A earned their fixed charges — debt interest and taxes — and the group of 154 reported a net loss for this period of 76½ million dollars, which at this rate means 230 millions in the red for the year. This loss, which is by no means the total loss now being incurred by the railroads as a whole, is equivalent to interest charges on 2½ billions of debt, a quarter of the total face value of all railroad bonds outstanding. Yet freight rates, the chief source of railroad income, have not come down since 1929; they have been raised. Ultimately they must be cut. It is obvious that the 10 billion dollar load of mortgage debt cannot be long supported on falling income.

Suppose the R.F.C. puts out 500 millions in railroad loans, necessarily where most needed. No one dreams that 500 millions will be repaid. Take the banks. In the last three years over 4000 have crashed, tying up nearly 3 billions in cash deposits. The R.F.C. has advanced nearly 200 millions to banks and trust companies. Certainly not all of these loans are good for repayment.

It must be apparent that of the billions invested and to be invested by the Treasury in agricultural and shipping aid, railroads, banks, insurance companies, mortgages and home building loans, a considerable portion can never be recouped or refunded at maturity of the loans. The investment and loan-basis values have shrunk by too large a percentage to be capable of "reflation" within a reasonable time. The shrinkage becomes permanent because deflated income cannot carry the interest burden, the loss must be written off in



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some form, even though in ten years' time we might again be back on the 1929 value level.

What will the government do with its waterlogged loans and outright investments? When Farm Board money went into purchase of wheat at $1.97 a bushel and the price stays below 75 cents for two or three years, the government hoard must be eventually sold at a heavy loss and the loss openly admitted. Where the investment, however, is in the form of a railroad loan, an advance to a going concern, the unpaid loan may be frankly written off on the books of the Treasury, the government may take over the operation of the unit, or it may permit operation to continue indefinitely on compliance with certain conditions. When a commercial loan ceases to be a temporary operation and the money is more or less permanently invested because the borrower cannot repay, the lender is driven to assume a position of authority and control. This has occurred in Germany as a result of necessary government financing of certain industries. In a different way it has taken place in England, where the large banks have had to assume increasing control over industrial units which cannot repay to these banks the loans that were originally intended to be only temporary in character.

Liquidation of the war debts is relatively simple. Europe cannot pay, and after the domestic political forms have been satisfied the debts will be scaled down to a small fraction of their original face, and our taxpayers will shoulder the loss. As to the railroads, however, and other borrowing units within our own country, a wide extension of control or even of ownership by government is more than possible. Many believe this is inevitable.

### How Will It Come Out?

The forces which will at this time make for permanent surrender of free competition are powerful. The severity and duration of the depression, unparalleled in the industrial age, have focused the keenest attention upon the extravagant wastefulness of capitalism, have raised a growing demand for some form of collective direction to control the ups and downs of these cycles. The taxpayers' investment in the experiment of peacetime aid will be so huge that their Congressmen will not lightly permit the Treasury simply to write off uncollectible loans as a present to private industrialists.

Working against continuance of the government's new stake and potential control in business after the depression period are other forces which may for a time prevail. One remembers that the whole machinery of wartime control over industry, the railroads, the issue of securities, *etc.*, was joyfully scrapped by the Harding normalcy devotees. The dogmas of *laissez faire* and free competition die hard; they are still abroad in the land gathering tribute. Real knowledge of the Russian and other European experiments is not widespread here. We fear centralization and bureaucracy. There are as yet no recognized leaders for a new industrial order. When real recovery gets under way, stock market booms exert their wonted attraction, book entries change from red to black, most of the vocal taxpayers and property owners may be so interested in the renewed game of restoring values and making profits that they will willingly pay by their tax checks the losses on the government's bad loans, in order to escape being themselves drawn into the net of collective interference with private initiative.

If we come out of this hole with our skins and deliberately liquidate government investment in private business, the sanctity of the strictly private field can hardly outlive another major industrial crisis. It seems inconceivable that we shall learn enough from the 1932–33 use of public monies, public works, and credit facilities to be able to control the next boom and avert the next depression. When the next cycle shall have run its course I suspect that we shall then look back to 1932 with the realization that in harnessing the potentialities of public monies and public credit, Mr. Hoover and his confrères of the Federal Reserve Board, Congress, and the R.F.C. directorate have initiated a peacetime experiment of vastly deeper import than they suspected or intended. The realization of the significance of this experiment, the readiness to use the experience thus acquired will mark the end of private industrial capitalism in America, and we shall pass to the new order of some form of experimentally developed collective control of the direction of economic and financial development. I want to be here when the ushers pull back the curtain.



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# Radio Reviews

## *A New Year on the Air*

*by* **CYRUS FISHER**

Six or seven years ago the studio orchestra, supplemented by an occasional phonograph record when the boys stepped out to wet their whistles, represented the standard form of expression over the air. There are now some fourteen types of programs, from operas to variety shows with child prodigies who can hum "Annie Laurie" while playing the harmonica. And because the radio is a novelty, each new form has been temporarily successful.

But the halcyon days of novelty for novelty's sake are passing. In 1933 the gentry employed in the manufacture of programs might well devote more of their boundless energies to the intelligent preparation of already existing forms. I doubt if they will, however, because there seems to be a diabolical fascination in seeking for that elusive something which *must* be waiting to follow the comic programs which followed the rage for mysteries which followed the crooners who followed the strips . . . and so on for too long.

### Symphony Programs

*The New York Philharmonic-Symphony Orchestra*, with musicians of the New York Philharmonic-Symphony Society, directed by Arturo Toscanini and (too late to be reviewed in this issue) Bruno Walter and Issay Dobrowen. Olin Downes, commentator. Frank Knight, announcer. Knowles, production. Mundorff, Gilbert, and Davis, sound engineers. Coates, continuity. Sustaining program — no advertising. C.B.S. 3:00–5:00 P.M. EST. Every Sunday.

Mr. Toscanini appreciates the fact that a radio audience is not a concert hall audience. His selections are decidedly interesting, often dramatic, and are never too abstract or difficult to hold the amateur of good music. That is why I prefer his broadcasts to those of the Philadelphia Orchestra. As for sound reception — which concerns the radio critic as much as the musical content — some of the compositions, such as Sibelius' "En Saga," have been more successful than others. Olin Downes' meaty explanations suffer because he is not a finished radio speaker. He interrupts his sentences with lugubrious "ahs" and "uhms" and long, disconcerting pauses.

*The Philadelphia Orchestra*, directed by Leopold Stokowski. Pitts Sanborn, commentator. Norris West, announcer. Knowles, production. Mundorff, Gilbert, and Davis, sound engineers. Street (for sustaining programs), continuity. Sustaining and sponsored programs. Sponsor is Philco Radio Company; advertising time under 5 minutes. C.B.S. 2:30–4:00 P.M. EST. on Friday broadcasts, and 8:15–10:00 P.M. EST. on occasional Saturday broadcasts.

Mr. Stokowski has applied himself to the technical problems of sending symphonic music over the air: the reception is tonally clear, definite, and distinct. In as much as the receiving set is the weakest link in the technic of broadcasting, his accomplishment is of the highest importance. Although Pitts Sanborn, the commentator, has a fluent presentation which is easier to absorb than Mr. Downes' stop-and-go delivery, he is less successful in preparing the listener for the music. This may be largely due to the programs selected. Mr. Stokowski maintains that it is necessary to include an ample measure of modern compositions for the benefit of children, because it is difficult for them to understand classical music. As a result, the going is sometimes a bit difficult for some of us untutored oldsters.

### For Parents

"*Your Child*," by Angelo Patri. Kenneth Roberts, announcer. Cashman, production. La Porte, sound engineer. Williams, direction. Patri, continuity. Sponsored by Cream of Wheat. 1 minute, 3 seconds' advertising time. C.B.S. 7:45–8:00 P.M. EST. Every Sunday and Wednesday.

I am not as partial as I should be to lectures given by earnest, sincere child educators. If you have no children it makes little difference



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whether or not you listen to Mr. Patri. However, if the depression has not discouraged you from providing for the continuance of the family name, then it is your duty to tune in on him at least once. As a matter of fact, you might even like him.

### Dramatic Experiment

*The Radio Guild*, with various players including Harry Neville, Charles Webster, Wilfred Seagram, Florence Malone, Peggy Allenby, Alfred Shirley, Ray Collins, William Podmore, Josephine Hull, Alma Kruger, and William S. Rainey. John Holbrook, announcer. Radcliffe, production. Fredenhall, sound engineer. Kelly, sound effects. Radcliffe, continuity. Sustaining program — no advertising. N.B.C. WJZ network. 4:00–5:00 P.M. EST. Every Monday.

No one can complain of Mr. Vernon Radcliffe's lack of courage in his selection of plays. Already the Radio Guild has presented, among others, *Antigone*, *Faustus*, and *Coriolanus*. They plan to offer more of similar tough metal such as *The Doll's House*, *Tartuffe*, and the romantic but difficult *L'Aiglon*. Mr. Radcliffe has not succumbed to sure-fire, popular fluff. He is one of the few inspired directors concerned with radio production. As a result of his efforts and the willingness of N.B.C. to permit him to experiment and even fail at times, he is able more often than not to bring to his radio adaptations the spirit of the originals.

So far, all of the dramas have been given with consummate skill and understanding except one, *Coriolanus*, which suffered from the players' inability to forget that at last they were playing the noble Shakespeare.

### Jack . . . and the Giant

*Little Jack Little*, featuring John Leonard. Carlyle Stevens, announcer. Snyder, production. Escher, sound engineer. Leonard, continuity. Sustaining program — no advertising. C.B.S. 9:00–9:15 A.M. EST. Every day.

For over a year John Leonard, calling himself "Little Jack Little" (I don't know why), has been delighting a cross and sleepy audience every morning with his tinkly piano playing, foolish little tunes, and inconsequential chatter. He is a one-man sustaining program that has gradually pushed itself across the continent without any great publicity build-up, without any excited fanfare from a sponsoring organization. Put him on some morning instead of the dish-washing, happy-time exercises. He is an amusing personality; the nicest morning pick-up I know of.

*Maxwell House Showboat*, with Charles Winninger as "Capt. Henry"; Lanny Ross, "Allyn Joslyn"; Rosaline Green, "Mary Lou" with Audrey Marsh doubling for the singing voice; baritone Jules Bledsoe; Pat Padget and Pic Malone, "January and Molasses"; contralto Annette Hanshaw; Hall-Johnson singers and the Show Boat Band under the old program-saver, Don Vorhees. Edmund (who likes to be called "Tiny") Ruffner, announcer. Stanford, production. Dickson, sound engineer. Kelly, sound effects. Bowles, Palasie, O'Mear, and Ownes, continuity. Sponsored by General Foods Corporation. Advertising time under 4 minutes. N.B.C. WEAF network. 9:00–10:00 P.M. EST. Every Thursday.

The confusion incidental to a tenth-rate musical comedy bedevils the Maxwell House Showboat throughout its entire hour. Three two-minute sections of the plot are sandwiched between two fat twenty-four minute performances which the showboat troupe is supposed to be giving to a river town audience. The Maxwell House Showboat, although unwieldy and cumbersome, is luxuriously fitted out with the very latest line of talent.

Here shine the spirituals of the Hall-Johnson singers. Mr. Jules Bledsoe's rolling baritone is alone worth several dozen crooners whom I might name but won't. Miss Annette Hanshaw's faraway blues will move the most rheumy male listener to offer her that love and protection without which she remains inconsolable. Mr. Don Vorhees could stop any stage production with his rollicking showboat band. Mr. Lanny Ross has found a robust voice and knows how to employ it to the best advantage. And the two lightheads, "January and Molasses," provide variety and laughs — also some ancient jests.

The action binding the entertainment together tears repeatedly. To the story belongs the lovable old "Capt. Henry," played by Mr. Charles Winninger. This character is a most offensive combination of that folksy pandering so successfully marketed by Phillips Lord,



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Tony Wons, and Co. To the story also belongs the rôle "Allyn Joslyn," juvenile lead, played by Lanny Ross, who immediately assumes his own name when appearing on the mythical stage of the showboat. Everything becomes even more complicated when we discover that "Mary Lou," the object of the juvenile's purest affection, is played by two persons.

If it were not for these impedimenta, the Maxwell House Showboat could be counted among the most delightful of the hour programs — the giants of the air.

### Heywood Broun's Kaffee-Klatsch

*The General Electric Circle*, with master of ceremonies, columnist, actor, and social economist Heywood Broun on every program, helping guest speakers Albert Payson Terhune (Wednesdays), Arthur B. Reeve (Saturdays), John Erskine (Thursdays), Hendrik van Loon (Fridays), and Emily Price Post (Mondays). Theodore Webb, baritone. Frank Banta, pianist. Edward K. Jewett, announcer. MacFayden, production. Kulik, sound engineer. Kelly, sound effects. Broun and guest speakers, continuity. Sponsored by General Electric Company. About 2 minutes' advertising time. N.B.C. network. 6:45–7:00 P.M. EST. Every day except Tuesdays and Sundays.

I never thought I would recommend a radio program because of its commercial announcements, but I do here. Mr. Broun pushes Ben Bernie and Ed Wynn very hard with his own pachydermic brand of ludicrous understatement. When he wades into a man-to-woman discussion of the advantages of a certain make of flat-iron over any other he is gently ridiculing an entire race of plausible-tongued announcers. By the time you realize that he knows you know he knows (suppose you try to write it your own way then) nothing about these implements, by the time you suspect he has been deliberately playing fast and loose with your sense of humor, by the time you appreciate his most ironically unctuous respect for the sponsor, you cannot have too much of him even if he were twice as large.

The rest of the G. E. Circle is a miscellaneous collection of current celebrities who in the most charming manner possible repeat the same important sentiments they have written about; a baritone of the post old oaken bucket school and a pianist are also involved. The program receives its mellow glow entirely from that bumbling, drawling general factotum and editor and advertising writer who is so little impressed by what he or anyone else has to offer.

### The Bath Club

*Fred Allen's Bath Club Revue*, featuring master of ceremonies Fred Allen with Marilou Dix, Jack Smart, Sheila Barrett, Roy Atwell, tenor Charles Carlile, organist Ann Leaf, Mrs. Fred Allen (Portland Hoffa), and Louis Katzman's orchestra. Kenneth Roberts, announcer. Cashman, production. White and Cox, direction. Hagberg, sound engineer. Allen, continuity. Sponsored by Corn Products Refining Company. 2 minutes, 40 seconds' advertising time. C.B.S. 9:00–9:30 P.M. EST. Every Sunday.

This is a dismal hodge-podge of music and cracks by Fred Allen and stooges. A few men's locker-room jokes have been diluted to a bathroom atmosphere. The usual guest artists come and go with varying ability. An organ plays. There is nothing here which has not been made considerably more amusing by other radio programs now on the air.

### 1932's Selected Vintage

There were more than three hundred and forty radio programs during 1932. Most of them were hardly fit for human consumption. If I had to listen to all of them over again the following, in the order listed, would be the ones I should first prefer to broach before retiring to a place of safe-keeping. Symphonic and opera broadcasts are not included.

*Ed Wynn and the Texaco Fire-Chief Band.* After six months of broadcasting, Ed Wynn's maniacal humor is more hilarious than ever and Don Voorhees' band is, itself, worth a little raving about.

*The March of Time.* The first program to offer dramatic re-enactment of contemporary history and life.

*The Voice of Firestone* and the *Goodyear Program.* The first contained Lawrence Tibbett; the second, Grace Moore and the Revelers. They would put any program on this list — even Seth Parker's.

*The Radio Guild.* For their ambitious repertoire.

*The First Nighter.* This still offers the best melodramas on the air.

*Ben Bernie and his Blue Ribbon Malt Orchestra.* One of the year's few antidotes against stodginess and platitudes.

### Grape-Juice of 1932

Sunday at Seth Parker's, The Stebbins Boys, Tony Wons, Jess Pugh (as "Old Hunch"), The World's Business (with Dr. Julius Klein), Station XER (Dr. Brinkley), Prohibition Plainly Put, Chandu the Magician, all radio astrologists and fortune hunters, and the political speeches of Mr. Patrick Jay Hurley.



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